

Summary

Summary of findings

SUMMARY OF FINDINGS

OVERVIEW

In August 2013, the Employee Earnings, Benefits and Trade Union Membership (EEBTUM) survey found there were 10.3 million employees (Table 5). Of these, 69% were full-time employees in their main job.

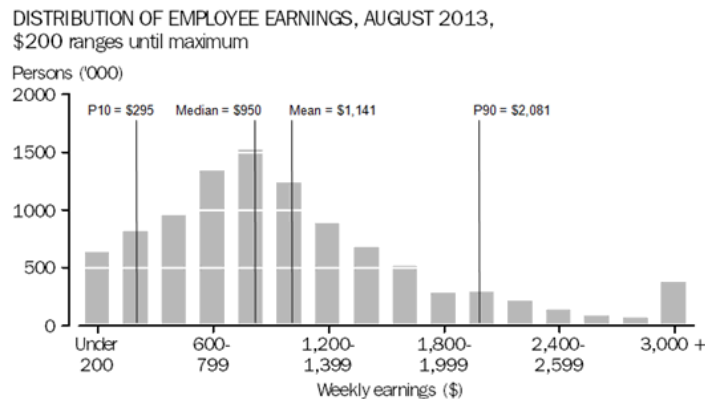
The key findings were:

- median weekly earnings for employees in their main job was \$950 and mean weekly earnings for employees in their main job was \$1,141 (Table 6), whereas median weekly earnings for employees in all jobs was \$960 and mean weekly earnings in all jobs was \$1,156 (Table 2);
- 17% of employees were trade union members in their main job (Table 11);
- 757,100 (7%) of employees were owner managers of incorporated enterprises (OMIEs) (Table 6); and
- 2.3 million (24%) of employees (excluding OMIEs) did not have paid leave entitlements (an indicator of casual employment) in their main job, that is, they were not entitled to either paid sick leave or paid holiday leave in their main job (or did not know if they were entitled) (Table 21).

WEEKLY EARNINGS IN MAIN JOB

Earnings distribution

At August 2013, the mean weekly earnings of employees (excluding OMIEs who do not draw a wage or salary) was higher than median weekly earnings. This difference demonstrates the asymmetric distribution of earnings, where a relatively small number of employees have comparatively very high earnings. This is illustrated in the graph below.



While median and mean earnings provide useful information about earnings distributions, they do not capture all the information about the distribution. It is also useful to consider percentiles, which measure the spread of earnings across the population. For example, the 10th percentile, P10, separates the population into the bottom 10% (lowest earners) and top 90%, while P90 separates the population into the bottom 90% and the top 10% (highest earners). At August 2013, P10 for weekly earnings in main job was \$295, while P90 for weekly earnings in main job was \$2,081 (Table 8).

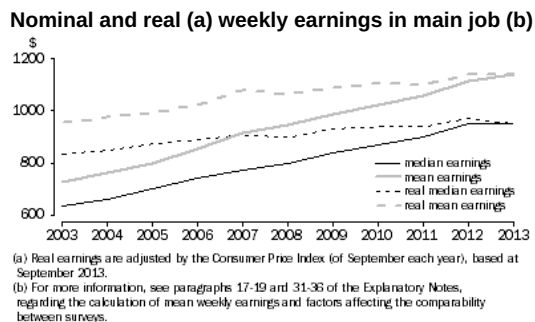
Another way of analysing the earnings distribution is to measure the share of earnings received by groups of people at different parts of the distribution. The 10 percent of the population with the lowest weekly earnings in their main job accounted for 1.4% of the total earnings of all employees, whereas the 10 percent with the highest earnings accounted for 28% of the earnings of all employees. Those earning above the median wage accounted for over three quarters (76%) of earnings received.

Comparison over time

The median weekly earnings for employees in main job (excluding OMIEs who did not draw a wage or salary) was \$950 in August 2013 (Table 7), the same as for August 2012. Mean weekly earnings in main job rose by \$26, from \$1,115 (August 2012) to \$1,141 (August 2013).

Real (earnings adjusted by CPI) median weekly earnings in main job fell by 2.1% in the year to August 2013, the largest fall in a decade. Real mean weekly earnings were essentially unchanged (a fall of 0.2%). However, in the previous year (from August 2011 to August 2012), real median and real mean weekly earnings in main job each rose by 3.5%. Over the decade to August 2013, real median weekly earnings rose by 14% while real mean weekly earnings rose by 20%. Real earnings usually increase at a slower rate than nominal dollar earnings, as

seen in the graph below.



Effects of workforce composition

Weekly earnings are affected not only by changes in the rate of pay, but also by any changes in the composition of the Australian workforce, including:

- diversity of employment arrangements;
- number of hours worked;
- the extent of part-time and casual employment;
- mix of industries and occupations.

Median weekly earnings for full-time employees was \$1,152 compared to \$450 for part-time employees (Table 6). Younger people were more likely to work part-time in their main job (Table 12). Three quarters (75%) of 15-19 year old employees worked part-time, while 40% of 20-24 year old employees worked part-time. The proportion of employees working full-time (75%) was highest during the prime working years of life (25-59 years). Older people were also more likely to work part-time, with 40% of employees aged 60 and over working part-time.

Median weekly earnings in main job for male employees was \$1,112 in August 2013, whilst median weekly earnings in main job for female employees was \$790 (Table 7). Differences in male/female earnings are influenced by factors such as full-time/part-time status and hours worked.

At August 2013, 16% of male employees worked part-time in their main job, whereas 47% of female employees worked part-time in their main job (Table 6). For full-time employees, males were paid for more hours on average than females (43 and 39 hours respectively), whilst for part-time employees females were paid for more hours on average than males (19 hours and 18 hours respectively). Overall, male employees were paid for 39 hours per week of work on average, whereas female employees were paid for 30 hours per week.

The Mining industry had the highest median weekly earnings of \$2,071, followed by Electricity, gas, water and waste services (\$1,500) (Table 9). The industries with the lowest median weekly earnings were Accommodation and food services (\$450) and Retail trade (\$600). The Accommodation and food services industry had the highest proportion of employees who were part-time in their main job (63%) and Retail trade had the second highest proportion (52%) (Table 13). Also, the Accommodation and food services industry had the highest proportion of employees without paid leave entitlements (65%) whilst Retail trade had the fourth largest proportion (39%) (Table 22).

Most employees in the Mining and Electricity, gas, water and waste services industries were males (85% and 80% respectively). Most employees in Accommodation and food services and Retail trade were females (57% and 58% respectively) (Table 5). The Accommodation and food services and Retail trade industries also had the highest proportions of 15-19 year old workers (24% and 18% respectively). Under 2% of employees in Mining and Electricity, gas, water and waste services were 15-19 years old.

The industries with the greatest difference between median and mean earnings (an indicator of how uneven the distribution of earnings is) were Professional, scientific and technical services (\$313), followed by Financial and insurance services (\$296) (Table 9).

The major occupation groups with the highest median weekly earnings were Managers (\$1,350), followed by Professionals (\$1,282) (Table 8). The occupation groups with the lowest median weekly earnings were Sales workers (\$500) and Community and personal service workers (\$650). The prevalence of part-time work was also highest for Sales workers (59%) and Community and personal service workers (56%) (Table 13). The major occupation groups with the highest proportion of employees without paid leave entitlements were Labourers (48%), followed by Sales workers (46%) and Community and personal service workers (39%) (Table 22).

Most Managers were males (65%), while just under half of Professionals were males (47%). Most Sales workers and Community and personal service workers were females (63% and 70% respectively), while most Labourers were males (64%). Also, Sales workers, Labourers, and Community and personal service workers had the highest proportions of 15-19 year old workers (23%, 13% and 9% respectively). Under 1% of Managers and 1% of Professionals were 15-19 years old.

The major occupation groups with the greatest difference between median and mean earnings were Managers (\$336), followed by Machinery operators and drivers (\$244) (Table 8).

EMPLOYEE BENEFITS

Paid leave entitlements

In August 2013, 24% of employees (excluding OMIEs) did not have paid leave entitlements (2.3 million) (Table 21). This proportion has remained at around 24% every August for the last nine years.

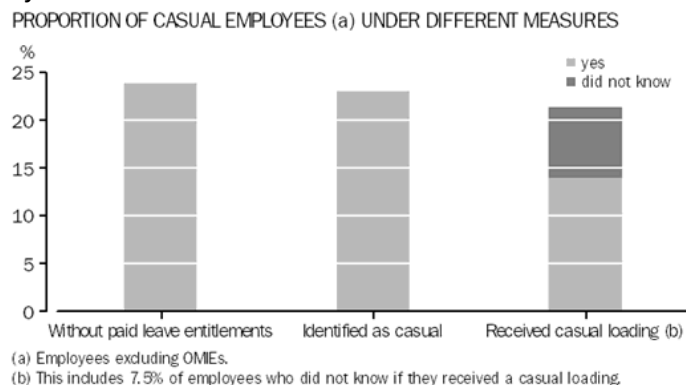
The industries with the highest proportion of employees without paid leave entitlements were Accommodation and food services (65%), Agriculture, forestry and fishing (40%), Administrative and support services (40%) and Retail trade (39%) (Table 22).

The occupation groups with the highest proportion of employees without paid leave entitlements were Labourers (48%) and Sales workers (46%) (Table 22).

Younger employees were the least likely to have paid leave, with 71% of 15-19 year olds not having paid leave entitlements (Table 21). Younger employees were also more likely to be working in Accommodation and food services (24% of employees were 15-19 years old) and Retail trade (18% of employees were 15-19 years old). This compares with 6% of all employees being 15-19 years old. The next age groups least likely to have paid leave entitlements were 20-24 year olds (38% did not have the entitlements) and employees aged 65 years and over (36% did not have the entitlements).

Overall, 21% of male employees did not have paid leave entitlements, while 27% of female employees did not have paid leave entitlements (Table 19). Nine out of 10 full-time employees had paid leave entitlements (90%), compared to under half (46%) of part-time employees. When looking at full-time/part-time status by sex, female full-time employees were more likely to have paid leave entitlements than male full-time employees (92% compared to 89% for males), as were female part-time employees (53% compared to 30% for males).

Other indicators of casual employment



Along with not being entitled to paid leave, EEBTUM collected complementary measures relating to casual employment; whether employees believed their job to be casual, and whether casual loading is received as part of an employees pay. In August 2013, 23% of employees (excluding OMIEs) considered their job to be casual, while 14% of employees received a casual loading (a further 8% did not know whether they received the loading). Further information on these indicators of casual employment is available in Australian Labour Market Statistics, Oct 2008 (cat. no. 6105.0).

Other forms of paid leave

Of all employees (excluding OMIEs), 46% were entitled to paid maternity/paternity leave in August 2013 (Table 20). A further 26% did not know if they had this entitlement, with a higher proportion of males not knowing (32%) than females (19%). Fewer male employees stated that they had paternity leave (41%), compared to females (51% entitled to maternity leave).

Around two thirds (67%) of all employees had access to paid long service leave (Table 20), while a further 10% did not know whether they had this entitlement.

Ability to choose when holidays are taken

In August 2013, 73% of employees (excluding OMIEs) could choose when to take holidays. A further 16% could sometimes choose, while 12% stated they could not choose.

Full-time employees in their main job had more choice about when to take holidays than part-time employees, with 9% of full-time employees having no choice, compared to 18% for part-time employees. Employees without leave entitlements also had less choice as to when to take leave, with 22% having no choice when to take holidays.

The industries with the highest proportion of employees who had no choice of when to take holidays were Education and training (50%) and Accommodation and food services (16%). The major occupation groups with the highest proportion of employees who had no choice were Professionals, and Personal and community service workers (both 17%) followed by Labourers (16%).

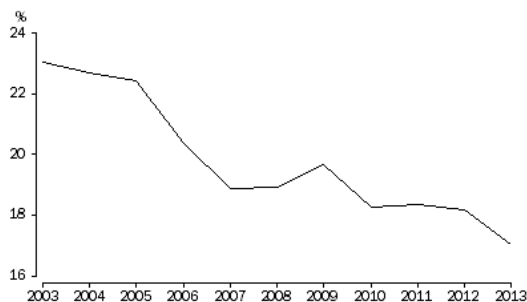
TRADE UNION MEMBERSHIP

Recent years

In August 2013, 17% of all employees (1.7 million) were trade union members in relation to their main job (Table 11). A further 4% did not know if they were trade union members or not, while 1% were trade union members not in conjunction with their main job. Of those who were a trade union member in relation to their main job, over two thirds (68%) had been members for five years or more (Table 12).

Trade union membership has steadily declined over recent years, with 2013 being the lowest proportion in the history of the series.

Proportion of employees with trade union membership in main job



Characteristics of trade union members

Of all employees (excluding OMIEs) without leave entitlements, 6% were trade union members in their main job, compared with 22% for employees with leave entitlements (Table 11).

Trade union membership was higher in the public sector (42% of all employees were trade union members in their main job), compared to the private sector (12% of employees) (Table 11). Employees in the Education and training industry had the highest proportion of trade union membership in their main job (37%), followed by Public administration and safety (34%) (Table 13). The occupation groups with the highest rates of trade union membership in relation to their main job were Machinery operators and drivers (26%) followed by Professionals (24%) and Community and personal service workers (22%).

Main Features

NOTES

ABOUT THIS PUBLICATION

This publication presents information about employees. Data are presented on their weekly earnings, entitlement to core employment benefits such as types of paid leave, superannuation contributions made by employers, and trade union membership. This information can be cross-classified by a range of personal characteristics, and characteristics of employment such as full-time or part-time status, industry and occupation of main job and demographic characteristics.

The statistics in this publication were compiled from the Employee Earnings, Benefits and Trade Union Membership (EEBTUM) Survey conducted throughout Australia in August 2013 as a supplement to the Australian Bureau of Statistics (ABS) monthly Labour Force Survey (LFS). Questions were asked of all employees in their main job except for those who worked solely for payment in kind in their main job.

FINAL ISSUE

As foreshadowed in the information paper, Outcomes of the Labour Household Surveys Content Review (cat. no. 6107.0), this is the final issue of the **Employee Earnings, Benefits and Trade Union Membership, Australia** publication.

This publication will be replaced by a new publication titled **Characteristics of Employment, Australia** (cat. no. 6333.0). The first release of 6333.0 will be in respect of August 2014 and will be released in mid 2015.

CHANGES IN THIS ISSUE

From December 2012 to April 2013, the ABS conducted a trial of online data collection. Respondents in one rotation group (i.e. one-eighth of the survey sample) were offered the option of self completing their labour force survey questionnaire online instead of via face-to-face or telephone interview. From May 2013, ABS expanded the offer of online electronic collection to 50% of each new incoming rotation group. For more information see the article in the April 2013 issue of Labour Force, Australia (cat. no. 6202.0). From September 2013 online electronic collection is offered to 100% of private dwellings in each incoming rotation group.

A measurement strategy was used to identify if the online offer impacted on the LFS data. No known statistical impact has been identified.

ROUNDING

As estimates have been rounded, discrepancies may occur between sums of the component items and totals.

INQUIRIES

For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or Labour Force and Supplementary Survey Section on Canberra (02) 6252 7206, email <labour.statistics@abs.gov.au>. The ABS Privacy Policy outlines how the ABS will handle any personal information that you provide to us.

Forthcoming changes to ABS Labour Force and Supplementary Surveys (Appendix)

APPENDIX 3 FORTHCOMING CHANGES TO ABS LABOUR FORCE AND SUPPLEMENTARY SURVEYS

INTRODUCTION

From July 2014 the ABS is improving the content of the Labour Force Survey (LFS) and labour supplementary surveys. The improvements will result in:

- the key measures of underemployment and labour underutilisation released monthly rather than quarterly;
- more information released monthly and quarterly;
- a less fragmented labour supplementary survey program; and
- datasets with interrelated topics combined to better enable analysis of key labour market linkages between groups and topics.

The improved program has three key components:

- the monthly and quarterly LFS with expanded content collected from July and August, 2014, respectively;
- the Characteristics of Employment (COE) supplementary survey to be conducted annually each August from 2014; and
- the Participation, Job Search and Labour Mobility supplementary survey to be conducted annually each February from 2015.

These improvements were previously outlined in July 2012 in the Information Paper: **Outcomes of the Labour Household Surveys Content Review** (cat. no. 6107.0), but details of the key components are summarised below.

MONTHLY AND QUARTERLY LABOUR FORCE SURVEY

The improvements to the content of the LFS will result in more information being available with key measures released more frequently. They will also improve the conceptual robustness and relevance of the survey and better enable the identification of critical labour market linkages.

The main improvements being made to the LFS are summarised below:

- increased frequency of underemployment and labour underutilisation rates, from quarterly to monthly;
- new items introduced into the LFS
 - monthly educational attainment;
 - quarterly volume measures of labour underutilisation;
 - quarterly leave entitlements;
 - quarterly employment by public and private sector; and
 - quarterly retrenchments.
- more detailed duration with current employer/business for those with their employer for one year or more;
- conceptual improvements
 - consolidating key elements of the Employment Type classification into a revised Status in Employment classification, to provide a single labour market relevant classification that will be used in outputs of the ABS' household survey program;
 - refinement to the collection of full-time and part-time job search; and
 - making the LFS gross flows data more representative of the full sample.

To allow analysis of new data items before they are first published, new monthly data items will be assessed for at least six months, and new quarterly items for at least three quarters, before being published.

CHARACTERISTICS OF EMPLOYMENT (COE) SUPPLEMENTARY SURVEY

The new COE supplementary survey will integrate key elements of the Employee Earnings, Benefits and Trade Union Membership (EEBTUM) survey and the Forms of Employment (FOE) survey (including Working Time Arrangements and Labour Hire modules).

The supplementary survey will describe the key features of people's employment and inform users on the following labour market issues:

- earnings - in main job and second job;
- employment arrangements;
- independent contracting;
- fixed-term employment;
- trade union membership;
- labour hire;
- working patterns;
- job stability;
- job flexibility; and
- overwork.

Including this data in a single survey will enable analysis of the key elements of people's employment and related outcomes. While the EEBTUM and FOE surveys have each collected information describing people's employment, each only provided a partial picture of people's employment and related outcomes. As the COE survey will be conducted as a supplement to the LFS in August each year, the items collected each quarter in the LFS will be included on the dataset and incorporated in survey output where appropriate.

With additional content added to the monthly and quarterly LFS it has been necessary to reduce the content in COE compared to the previous labour supplementary survey program. Data items with a relatively lower priority compared to others will cease being collected in the labour supplementary survey program. These items are outlined in Table 3 within this appendix. Many of these items will be collected in the Work, Life and Family Survey, which is planned to next be conducted in 2019.

To minimise respondent burden and enable the planned content to fit within the available resources for the survey, the COE supplementary survey will comprise a core annual component and two biennial components included on a rotating basis. This approach also reflects that

some data items do not change significantly from year to year.

The core component will contain information on earnings (weekly and hourly earnings in main job and second job), fixed term employment and independent contracting. The first of the two biennial components will contain information on trade union membership, labour hire, job stability and more detail on independent contracting. The second of the two biennial components will contain information on overwork, job flexibility and working patterns. The data items to be collected in the LFS and COE are outlined in Tables 1 and 2 respectively within this appendix.

DATA ITEMS

Table 1

The data items to be collected in the LFS from July 2014 are outlined below:

DATA ITEMS TO BE COLLECTED IN THE LABOUR FORCE SURVEY	
	Data items
Labour force survey, monthly items - collected from July 2014	
All persons	
Age	1
Sex	2
Social marital status	3
State or territory of usual residence	4
Region (SA4) of usual residence	5
Country of birth	6
Period since arrival	7
Relationship in household	8
Number of dependents aged 15 to 24 years	9
Number of dependents aged 0 to 24 years	10
Educational attendance	11
Current study	12
Level of highest educational attainment	13
Level of highest non-school qualification	14
Highest year of school completed	15
Main field of highest educational attainment	16
Main field of highest non-school qualification	17
Labour force status - current month	18
Labour force status - previous month	19
Employed persons	
Status in employment in main job	20
Whether held more than one job	21
Number of jobs or businesses held last week (held concurrently)	22
Main reason for absence from work	23
Hours actually worked in main job	24
Hours actually worked in all jobs	25
Hours usually worked in main job	26
Hours usually worked in all jobs	27
Full-time or part-time status in all jobs	28
Full-time or part-time status in main job	29
Underemployment status	30
Reason worked less hours than usual	31
Whether preferred to work more hours than usual	32
Whether available to start work with more hours	33
Whether prefer and available for more full-time or part-time hours	34
Unemployed persons	
Duration of job search	35
Full-time or part-time status of unemployment	36
Steps taken to find work	37
Persons not in the labour force	
Not in the labour force status	38
Time until available to start work (if actively looking for work)	39
Derived measures	
Employment to population ratio	40
Labour force participation rate	41
Unemployment rate	42
Underemployment rate	43
Labour force underutilisation rate	44
Aggregate monthly hours worked	45
Labour force survey, quarterly items - collected from August 2014	
All persons	
Whether ceased any job in the previous 3 months	46
Reasons ceased working in each job or business in the previous 3 months	47
Whether retrenched from any job in the previous 3 months	48
Employed persons	
Continuous duration with current employer/business	49
Expected future duration with current employer/business	50
Reason expected future duration with current employer/business < 1 year	51
Sector of main job	52
Occupation of main job	53
Industry of main job	54
Preferred total number of weekly hours	55
Preferred number of extra weekly hours	56
Employees	
Whether entitled to paid holiday leave	57
Whether entitled to paid sick leave	58
Whether had paid leave entitlements	59
Unemployed persons	
Preferred number of hours of work	60
Industry of last job (if less than 2 years ago)	61
Occupation of last job (if less than 2 years ago)	62
Reason for leaving last job (if less than 2 years ago)	63
Derived measures	
Retrenchment rate	64
Volume unemployment rate	65
Volume underemployment rate	66

Table 2

In addition to the regular monthly and quarterly LFS items, the data items to be collected in the COE survey are outlined below:

DATA ITEMS TO BE COLLECTED IN CHARACTERISTICS OF EMPLOYMENT

	Data items
Characteristics of Employment August 2014	
Annual core items	
Earnings	
Weekly earnings in main job	1
Weekly earnings in second job	2
Weekly earnings in all jobs	3
Hours paid for in main job	4
Hours paid for in second job	5
Hours paid for in all jobs	6
Hourly earnings in main job	7
Hourly earnings in second job	8
Hourly earnings in all jobs	9
Frequency of pay in main job	10
Employment arrangements	
Employment arrangements in main job	11
Status in employment of second job	12
Whether an independent contractor in main job	13
Fixed-term employment	
Whether employment had a set completion date/event	14
Whether worked on a fixed term basis in main job	15
Length of fixed term contract	16
Time until set completion date/event	17
Biennial items	
Trade union membership	
Trade union membership	18
Length of current trade union membership	19
Trade union member history	20
Independent contracting	
Whether has more than one active contract	21
Whether usually able to work on more than one active contract	22
Whether able to sub-contract own work	23
Whether has authority over own working procedures	24
Labour hire	
Whether paid by an employment agency/labour hire firm, outsource company	25
Whether currently registered with an employment agency/labour hire firm	26
Whether registered with a labour hire firm/employment agency in the last 12 months	27
Whether found current job/assignment through employment agency or labour hire firm	28
Job stability	
Whether earnings varied from one pay period to the next	29
Whether guaranteed a minimum number of hours each week	30
Whether usually works the same number of hours each week	31
Whether considered main job to be casual	32
Characteristics of Employment August 2015	
Annual core items	
Earnings	
Weekly earnings in main job	1
Weekly earnings in second job	2
Weekly earnings in all jobs	3
Hours paid for in main job	4
Hours paid for in second job	5
Hours paid for in all jobs	6
Hourly earnings in main job	7
Hourly earnings in second job	8
Hourly earnings in all jobs	9
Frequency of pay in main job	10
Employment arrangements	
Employment arrangements in main job	11
Status in employment of second job	12
Whether an independent contractor in main job	13
Fixed-term employment	
Whether employment had a set completion date/event	14
Whether worked on a fixed term basis in main job	15
Length of fixed term contract	16
Time until set completion date/event	17
Biennial items	
Overwork	
Whether would prefer to work less hours (in all jobs)	33
Number of hours would prefer to work (in all jobs)	34
Job flexibility	
Whether had agreement with employer to work flexible hours	35
Whether usually worked at home in main job	36
Main reason for working at home in main job	37
Working patterns	
Whether usually works shift work	38
Type of shift usually worked	39
Whether usually works extra hours or overtime	40
Whether usually required to be on-call or standby	41
Days of the week on which person usually works (all jobs)	42
Number of days a week that person usually does some work (all jobs)	43
Whether usually works weekdays and/or weekends (all jobs)	44

Table 3

With additional content added to the monthly and quarterly LFS it has been necessary to reduce the content in COE compared to the previous labour supplementary survey program. Data items with a relatively lower priority compared to others will cease being collected in the labour supplementary survey program. These items are outlined below. Many of these items will be collected in the Work, Life and Family Survey, which is planned to next be conducted in 2019.

Data items no longer collected in labour supplementary surveys

	Data items
Employee Earnings Benefits and Trade Union Membership items (annual)	
Whether received casual loading as part of pay in main job	1
Whether paid a set amount or by the hour	2
Whether paid at the full adult rate	3
Whether salary sacrificed to superannuation in last pay period	4
Whether salary sacrificed to superannuation in last 12 months	5
Whether able to choose when holidays are taken in main job	6
Whether entitled to paid long service leave in main job	7
Whether entitled to paid maternity/paternity leave in main job	8
Type of paid leave entitlement in main job	9
Number of paid leave entitlements in main job	10
Duration since previously a trade union member	11
Size of location in main job	12
Whether current employer made superannuation contributions on behalf of employee in main job	13
Employment type in main job (redundant with revision to Status in Employment classification)	14
Forms of Employment items (annual)	
Form of employment in main job (Independent Contractors identified in COE annually)	15
Employment type in main job (redundant with revision to Status in Employment classification)	16
Number of employees in main job	17
Whether expects contract/employment to be renewed	18
Whether entitled to paid maternity/paternity leave in main job	19
Whether entitled to paid long service leave in main job	20
Whether current contract prevents similar work for another client	21
Main reason unable to subcontract own work	22
Who has authority over own working procedures	23
Whether responsible for arranging own workers' compensation	24
Whether responsible for arranging own liability insurance	25
Whether responsible for arranging own superannuation contributions	26
Whether had a say in start/finish times	27
Forms of Employment; Working time arrangements module items (3 yearly)	
Whether had any say in the days in which worked	28
Whether received casual loading as part of pay	29
Whether had a say in start/finish times	30
Whether able to choose to work extra hours to take time off	31
Whether able to choose when holidays are taken	32
How far in advance work schedule was known	33
How compensated for overtime / extra hours worked	34
Hours usually worked in a shift in main job	35
Whether usually worked any hours between 7pm and 7am in all jobs	36
Forms of Employment; Labour hire module items (3 yearly)	
Whether still registered with the same agency, firm or company	37
Number of work assignments through labour hire form/employment agency in the last 12 months	38
Whether usually had continuous/ongoing work from a labour hire firm/employment agency	39
All reasons for using a labour hire firm/employment agency	40
Main reason for using a labour hire firm/employment agency	41
Forms of Employment; Locations of work module items (6 yearly)	
All locations of work in main job	42
Main location of work in main job	43
Number of locations of work in main job	44
State or territory of workplace in main job	45
Region of workplace in main job	46
Whether had an arrangement with employer to work at home in main job	47
Hours actually worked from home in main job	48
Hours usually worked from home in main job	49
Use of information technology at home in main job	50
Occupation of second job	51
Industry of second job	52
All locations of work in second job	53
Main location of work in second job	54
Number of locations of work in second job	55
Whether usually worked at home in second job	56
Whether worked at home in second job	57
Whether had an arrangement with employer to work at home in second job	58
Hours actually worked in second job	59
Hours actually worked at home in second job	60
Hours usually worked at home in second job	61
Main reason for working at home in second job	62
Whether entitled to paid holiday leave in second job	63
Whether entitled to paid sick leave in second job	64
Whether had paid leave entitlements in second job	65
Use of information technology at home in second job	66
Occupation in job worked at home	67
Industry in job worked at home	68
Status in employment in job worked at home	69
Whether worked at home in main or second job	70
Whether had an arrangement with employer to work at home in main or second job	71
Hours actually worked at home in main and second job	72
Use of information technology at home in main or second job	73

Understanding earnings in Australia using ABS statistics

UNDERSTANDING EARNINGS IN AUSTRALIA USING ABS STATISTICS

INTRODUCTION

Information about wages and salaries paid to employees is used for many purposes including economic analysis, social research, policy formation and evaluation, and research by employer and employee associations. The ABS publishes a variety of information on wages and salaries (generally referred to as 'earnings'), from both household and employer surveys.

KEY POINTS:

- The ABS produces earnings statistics from a number of different sources, including both household and employer surveys, which provide a wide range of data for a variety of purposes.
- The decision on which data to draw on depends on the purpose and type of analysis to be undertaken.
- Estimates from a given source may differ from estimates from other sources as a result of differences in scope, coverage and methodology.
- Many factors contribute to the level of, and changes in, earnings. These factors can be difficult to analyse independently as most are inherent in the changes in employment patterns and composition, wage rates, and hours worked.
- Data collected at the individual level allow for compositional and distributional analysis, which makes it easier to try and account for the differences in employment patterns. The ABS encourages users to consider relevant factors when analysing data, and in general the more factors which are taken into consideration the more robust such analysis will be.

This article explores some of the earnings statistics produced by the ABS, through:

- defining earnings statistics;
- identifying ABS sources of earnings and related statistics;
- highlighting relative strengths and limitations of the sources to provide guidance on the appropriate use;
- describing the three main labour surveys that provide earnings statistics (Survey of Employee, Earnings and Hours (EEH); Survey of Average Weekly Earnings (AWE); Survey of Employee, Earnings, Benefits and Trade Union Membership (EEBTUM)); and the Wage Price Index (WPI); and highlighting the differences between them; and
- demonstrating uses of earnings statistics through examples on distributional and compositional analysis, gender wage analysis and wage movement analysis.

WHAT DO WE MEAN BY EARNINGS?

In the broadest sense, earnings can be thought of as amounts paid by employers to employees for work done. More specifically, earnings are the pre-tax amount paid to employees for work done or time worked (including paid leave). Earnings do not include 'payments-in-kind' - i.e. the value of 'non-cash' goods or services provided to employees (fringe benefits). However in ABS collections, wages and salaries in cash conceptually include the value of goods and services obtained through salary sacrifice arrangements, where it is the choice of the employee. For more information on the conceptual framework for employee remuneration see Information paper: Changes to ABS measures of employee remuneration, 2006 (cat. no. 6313.0).

Earnings in ABS statistics are consistent with international definitions determined by the International Labour Organisation and in the System of National Accounts (2008).

For more detailed definitions and descriptions of the concept of earnings, refer to Chapter 12 of Labour Statistics: Concepts, Sources and Methods (cat. no. 6102.0.55.001).

EARNINGS and EMPLOYEE INCOME: are they the same?

Labour statistics produced by the ABS provide information on the concept of earnings, not income. Employee income statistics are conceptually broader than earnings and are generally produced under the suite of social statistics.

Earnings include:

- wages and salaries in cash;
- regular bonuses; and
- salary sacrifice amounts - the value of goods and services obtained through salary sacrifice arrangements, where the employee chooses to forgo part of wages and salaries in cash in return for goods and services.

Earnings exclude (but are included in **Employee Income**):

- payments in kind - the value of non-cash goods or services provided to employees (fringe benefits);
- employers' contributions in respect of their employees paid to social security and pension schemes and also the benefits received by employees under these schemes (e.g. superannuation); and
- severance and termination pay.

Employee Income is an employee's total remuneration, whether in cash or in kind, received as a return to labour from an employer or from a person's own incorporated business. It includes:

- wages and salaries (in cash);
- bonuses (irregular, one-off);
- salary sacrificed amounts;
- non-cash benefits (including wages and salary in-kind) - free or subsidised goods and services from an employer such as the use of motor vehicles and subsidised housing; and
- severance and termination payments.

Total Personal Income is a broader concept which includes other monetary receipts such as government pensions and benefits, investment income, profit or loss from an unincorporated business, and private transfers (such as superannuation, child support etc).

KEY SOURCES OF EARNINGS DATA

The ABS produces earnings statistics, as well as earnings related measures, from a range of sources. The major sources of earnings statistics in the ABS, and the publications in which they are released, are:

SOURCES OF EARNINGS DATA	
Survey of Employee Earnings and Hours (cat. no. 6306.0)	<ul style="list-style-type: none"> composition and distribution of earnings of employees, hours paid for, and whether their pay is set by award, collective agreement or individual arrangement.
Survey of Average Weekly Earnings (cat. no. 6302.0)	<ul style="list-style-type: none"> the average weekly earnings of employees.
Survey of Employee Earnings, Benefits and Trade Union Membership (cat. no. 6310.0)	<ul style="list-style-type: none"> information on weekly earnings of employees, their employment benefits and trade union membership.
Wage Price Index, Australia (cat. no. 6345.0)	<ul style="list-style-type: none"> changes in the price of wages and salaries resulting from market pressures.
Australian System of National Accounts (cat. no. 5204.0) and Australian National Accounts: National Income, Expenditure and Product (cat. no. 5206.0)	<ul style="list-style-type: none"> compensation of employees, a very broad concept of employee remuneration.
Survey of Income and Housing (cat. no. 6523.0)	<ul style="list-style-type: none"> a breakdown of household income, including wages and salaries.
Major Labour Costs Survey (cat. no. 6348.0)	<ul style="list-style-type: none"> total earnings as well as other labour costs borne by businesses, for example payroll tax.
Survey of Employment and Earnings (cat. no. 6248.0.55.002)	<ul style="list-style-type: none"> public sector employee earnings paid by level of Government.
Quarterly Business Indicators Survey (cat. no. 5676.0)	<ul style="list-style-type: none"> private sector wages and salaries paid to employees, and other business costs e.g. investment.
Wage and Salary Earner Statistics for Small Areas, Time Series, 2005-06 to 2010-11 (cat. no. 5673.0.55.003)	<ul style="list-style-type: none"> regional estimates of wages and salaries based on postcode level aggregates of the Australian Tax Office's Individual Income Tax Return Database.

Household and employer surveys which are used by the ABS to collect earnings statistics have different strengths and limitations. It is important to be aware of these differences when analysing the data.

STRENGTHS AND LIMITATIONS OF ABS EARNINGS DATA SOURCES	
Employer surveys earnings data	Household surveys earnings data
<p>Employer surveys provide:</p> <ul style="list-style-type: none"> more accurately reported earnings as data are obtained from employers' payrolls; components of earnings collected separately (i.e. ordinary time and overtime earnings); and consistent business characteristics (such as industry and business size), as this information is maintained on the ABS Business Register. <p>Limitations include:</p> <ul style="list-style-type: none"> limited socio-demographic characteristics of employees; limited information about characteristics of employment; and only state/territory geographic information about place of work available. 	<p>Household surveys provide:</p> <ul style="list-style-type: none"> earnings by socio-demographic characteristics; earnings by a range of employment characteristics, such as paid leave entitlements; and greater geographic information about place of usual residence including Statistical Area level 4 under the Australian Statistical Geography Standard. <p>Limitations include:</p> <ul style="list-style-type: none"> earnings are less robust, with reliance on respondents' accurate recall of (pre-tax) earnings; some respondents report on behalf of others in the household which can affect the quality of data reported; fewer and less robust information about business characteristics; and components of earnings estimates not available.

The rest of this article focusses on three key ABS labour surveys providing estimates of earnings and explains the purpose and key outputs of each, as well as their benefits and limitations. The surveys are:

- the two-yearly EEH survey (cat. no. 6306.0);
- the six-monthly AWE survey (cat. no. 6302.0); and
- the annual EEBTUM survey (cat. no. 6310.0). The last issue of this publication is being released on 4 June 2014. In the future earnings data will be available in a new publication titled Characteristics of Employment, Australia (cat. no. 6333.0). The first release of this publication will be in respect of August 2014 and will be released in mid 2015.

In addition, the ABS WPI (cat. no. 6345.0), which provides a measure of changes in wages and salaries paid by employers for a unit of labour (i.e. hour) over time, is discussed as movements in WPI are often compared to AWE.

The first two surveys, EEH and AWE are employer surveys and measure earnings related to a 'point in time' (e.g. a pay period). They collect wages and salaries in cash that are received regularly and frequently (e.g. exclude one-off bonuses) and include payments for employees on paid leave.

EEBTUM is a household survey and also collects earnings at a 'point in time', the most recent pay period, i.e. the last total pay. It collects wages and salaries in cash, before tax or any other deductions. As the survey collects amounts of "total last pay", it may include irregular

and infrequent payments or bonuses, and payments related to other periods.

SURVEY OF EMPLOYEE EARNINGS AND HOURS

The two-yearly EEH provides statistics on the composition and distribution of employee earnings, the hours paid for, and the methods used to set their pay. From 2006, estimates of earnings from EEH have included amounts salary sacrificed.

The information in EEH is collected from businesses but at the individual employee level. This makes it possible to derive measures of distribution (e.g. medians, deciles, earnings ranges) and provide some information on individual characteristics of employees. The median is a better measure of 'central tendency' than the mean when distributions are uneven or skewed, as the mean can be heavily influenced by outliers in the distribution. This is discussed in more detail later.

EEH also provides some information on individual characteristics of employees. These include: managerial/non-managerial status; occupation; sex; full-time/part-time status; adult/junior status; type of employee (permanent, fixed-term contract or casual); method of setting pay (i.e. award only, collective agreement and individual arrangement); and hours paid for. From 2014 onwards age of employee will also be collected in EEH. The EEH survey therefore complements the AWE survey by providing detailed information on the composition and distribution of employee earnings and hours, however on a less frequent basis.

A key strength of EEH is that it allows for hourly measures of earnings to be derived (currently only for non-managerial employees). Hourly earnings measures are useful for comparisons between groups who may work different weekly hours.

Non-managerial adult hourly ordinary time earnings from EEH is a widely used measure, since it allows as much of a like-for-like comparison as possible, facilitating comparison of earnings for different population groups. For example directly comparing the weekly earnings of full-time and part-time employees would not take hours paid for into account.

SURVEY OF AVERAGE WEEKLY EARNINGS

The six-monthly AWE is currently the most frequently available source of the level of earnings. It is designed to provide estimates of the level of average earnings at a point in time, and while not designed for movements in earnings, the frequency of collection supports a time series of these level estimates. Data on the average level of earnings are useful for providing a level benchmark to compare a specific amount to an average level of earnings e.g. what an individual earns compared to the average.

AWE has the longest history of the three ABS earnings sources discussed in this article. Collecting average earnings data is relatively simple and can produce estimates in a timely manner. While not designed as an index of wages, it is extensively referenced in legislation for indexation purposes.

Data are obtained from selected businesses on the total earnings (ordinary time and overtime) paid to their employees and the total number of employees in the business, which together are used to derive the mean, or average, earnings. These sample data are then weighted to provide estimates for the whole population of in scope businesses. Estimates are available by state/territory, sex, industry and sector.

The three key earnings series (excluding amounts salary sacrificed) produced from AWE are:

- Average weekly ordinary time earnings (AWOTE) for full-time adult employees;
- Average weekly total earnings (AWTE) for full-time adult employees; and
- Average weekly total earnings for all employees.

The earnings series from AWE historically excluded amounts salary sacrificed. As discussed above, amounts salary sacrificed are conceptually part of wages and salaries in cash, however, the key earnings series from AWE have continued to be published on the old conceptual basis (i.e. exclusive of amounts salary sacrificed) to maintain long term comparability of the key series. Since the May 2011 AWE publication, the Average Weekly Cash Earnings (AWCE) series have also been released. These series are inclusive of salary sacrificed amounts. For more information see the Explanatory Notes of the AWE publication (cat. no. 6302.0) and Information paper: Changes to average weekly earnings, Australia (cat. no. 6302.0.55.002).

Out of the three series produced from AWE, the AWOTE for full-time adult employees series is generally considered the most stable earnings series due to the exclusion of overtime and part-time and junior employees, however it should be noted that the series does not represent all employees. AWTE for full-time employees has higher levels compared to AWOTE for full-time employees as it includes overtime. AWTE series for all employees has the lowest levels as it includes the earnings of part-time and junior employees, who receive lower pay on average than full-time adult employees.

Compositional changes in the employee population (e.g. the mix between full-time and part-time employees, or the industries and/or occupations in which they work) and the composition of the survey samples selected, can impact on the level of average earnings. For example, if there is an increase in part-time employment then, all other things being equal, the average weekly total earnings series for all employees would be expected to decrease.

EEH and AWE - some definitions

Employee refers to all civilian wage and salary earners who received pay for any part of the reference period excluding:

- working proprietors and partners of unincorporated businesses;
- employees paid under the Australian Government's Paid Parental Leave Scheme;
- employees based outside Australia;
- persons paid by commission only; and
- non-salaried directors.

Full-time employees are permanent, temporary and casual employees who normally work the agreed or award hours for a full-time employee in their occupation and received pay for any part of the reference period. If agreed or award hours do not apply, employees are regarded as full-time if they ordinarily work 35 hours or more per week.

Adult employees are those employees 21 years of age or over, and employees under 21 years old who are paid at the full adult rate for their occupation. **Junior employees** are aged under 21 who are not paid at the adult rate of pay for their occupation. Junior employee

earnings are included in the average weekly total earnings for all employees.

Average weekly earnings represent average gross (before tax) earnings of employees and do not relate to average award rates, or to the earnings of the 'average person'. Estimates of average weekly earnings are derived by dividing estimates of weekly total earnings by estimates of number of employees.

Weekly ordinary time earnings refers to one week's earnings of employees for the reference period attributable to award, standard or agreed hours of work. It is calculated before taxation and any other deductions (e.g. superannuation, board and lodging) have been made.

Weekly overtime earnings refers to one week's earnings of employees for the reference period relating to payment for hours in excess of award, standard or agreed hours of work.

Weekly total earnings refers to weekly ordinary time earnings plus weekly overtime earnings of employees.

Excluded from the **scope** of EEH and AWE are the following:

- members of the Australian permanent defence forces;
- employees of enterprises primarily involved in the Agriculture, forestry and fishing industry;
- employees of private households; and
- employees of overseas embassies, consulates, etc.

SURVEY OF EMPLOYEE EARNINGS, BENEFITS AND TRADE UNION MEMBERSHIP

EEBTUM is a household survey, conducted annually as a supplement to the monthly Labour Force Survey (LFS). This survey collects weekly earnings data together with a range of socio-demographic information collected from individual people, such as: sex; age; marital status; relationship in household; geographic region of usual residence; school attendance; country of birth; and year of arrival in Australia.

EEBTUM also collects details about the nature of employment, including: occupation; industry; hours worked (hours paid for, hours actually worked and hours usually worked); full-time/part-time status based on hours worked; sector; size of workplace; and leave entitlements. From 2007, EEBTUM has included amounts salary sacrificed in the estimates of earnings.

As EEBTUM is collected at the individual employee level, like the EEH survey, this means that measures of earnings distribution (e.g. medians, deciles, earnings ranges) are able to be produced.

EEBTUM - some definitions

Employees refers to people who:

- work for a public or private employer; and
- receive remuneration in wages or a salary; or are paid a retainer fee by their employer and worked on a commission basis, or for tips, piece-rates or payment-in-kind; or
- operate their own incorporated enterprise with or without hiring employees.

Employees who work solely for payment-in-kind are excluded.

Full-time employees are those employees who usually work 35 hours or more a week (in all jobs) and others who, although usually working fewer than 35 hours a week, worked 35 hours or more during the reference week. **Full-time employees in main job** are those employees who are:

- Single job holders who usually work 35 hours or more a week, or usually work fewer than 35 hours but worked 35 hours or more during the reference week; or
- Multiple job holders who usually work 35 hours or more in their main job and those who, although usually working fewer than 35 hours in their main job, worked 35 hours or more during the reference week.

Part-time employees are those employees who usually work fewer than 35 hours a week (in all jobs) and either did so in during the reference week, or were not at work in the reference week. **Part-time employees in main job** are those employees who are:

- Single job holders who usually work fewer than 35 hours a week, and did so in the reference week; or
- Multiple job holders who usually worked fewer than 35 hours in their main job in the reference week, or were away from their main job but usually work fewer than 35 hours a week in their main job.

Second job is a job, other than main job, in which some hours were worked during the reference week.

Weekly earnings are amount of 'last total pay' (i.e. before tax, salary sacrifice and other deductions had been made) from wages and salaries for jobs (all and main) held in the week prior to interview. For persons paid other than weekly, earnings are converted to a weekly equivalent. No adjustment is made for any back payment of wage increases, prepayment of leave or bonuses, etc.

Excluded from the **scope** of EEBTUM are the following:

- members of the permanent defence forces;
- certain diplomatic personnel of overseas governments, customarily excluded from the Census and estimated population;
- overseas residents in Australia;
- members of non-Australian defence forces (and their dependants); and
- students at boarding schools, patients in hospitals, residents of homes (e.g. retirement homes, homes for people with disabilities), and inmates of prisons.

The three surveys discussed above have important differences in concepts, scope and methodology, which can result in different estimates of weekly earnings. Therefore, care should be taken when comparing estimates of earnings from these surveys. The main differences are

described in the box below.

Differences between AWE, EEH and EEBTUM

AWE and EEH are both employer surveys, however EEH provides more detailed information from a larger sample, but is less frequent than AWE. Additionally, the two collections differ in **sample design** and **survey methodologies**. As mentioned earlier, AWE collects information relating to the total gross earnings and the total number of employees of employer units selected in the survey. The average weekly earnings measures are derived by dividing estimates of total gross earnings by the estimated number of employees. EEH collects information about weekly earnings of a sample of employees within the selected employer units. For more information see Chapter 29. Survey of Average Weekly Earnings and Chapter 30. Survey of Employee Earnings and Hours in Labour Statistics: Concepts, Sources and Methods (cat. no. 6102.0.55.001).

EEBTUM is a household survey and so differs from employer surveys in **scope**, **sample design** and **survey methodologies**.

The employer surveys exclude employees in the industries of Agriculture, forestry and fishing; and Private households employing staff. EEBTUM includes all civilian employees usual resident in Australia except: students at boarding school; patients in hospitals; residents of homes; inmates of prisons; Aboriginal and Torres Strait Islander communities in very remote parts of Australia; and, those who worked solely for payment-in-kind in their main job.

EEBTUM collects information from respondents who are either interviewed personally, or another adult member of their household responds on their behalf. Where earnings are not known exactly, an estimate is reported. AWE collects information from employers who complete a questionnaire with details of the total gross earnings paid to employees and the total number of employees in the business. EEH collects information about weekly earnings of a sample of employees within the selected employer unit. The business surveys are completed with information from the employers' payroll.

Industry information is collected differently for the different surveys. For employer surveys, industry is generally assigned according to the information on the ABS Business Register. In the household survey, industry is assigned based on the respondent's description of the industry activity at the place where the person works.

WAGE PRICE INDEX

The WPI measures changes in wages and salaries paid by employers for a unit (i.e. hour) of labour where the quality and quantity of labour are held constant. It is widely used as a measure of wage and salary inflation in the economy.

While AWE provides estimates of the level of earnings at a point in time, the quarterly WPI is a more relevant indicator for changes in the rates of pay. For further information on the WPI, please refer to the Explanatory Notes of Wage Price Index, Australia (cat. no. 6345.0) and Wage Price Index: Concepts, Sources and Methods (cat. no. 6351.0.55.001).

Period-to-period movements for the AWE series are not necessarily comparable with those for the WPI. It is important to recognise that the two series have different purposes and concepts, and use different sample selection, rotation, and estimation methodologies.

The WPI measures change in the price employers pay for labour that arise from market factors. Specifically, the WPI measures change in the price of wages and salaries. As a price index the quantity and quality of labour services are held constant, changes in the composition of the labour force, hours worked, or changes in characteristics of employees (e.g. work performance) are all excluded from the index. For the WPI this is achieved by ensuring that identical jobs are priced from one period to the next. This is referred to as pricing to constant quality.

USES OF EARNINGS DATA

Earnings statistics provide information on both the levels and movements in average earnings, and on the distribution of earnings for different groups of employees. Earnings statistics available from ABS sources provide key indicators to help inform policy, research and discussions of important labour market issues such as pay equity, social welfare, wage setting and income distribution. It is important to understand the relative strengths and limitations of the various earnings sources to ensure appropriate interpretation of the statistics.

As discussed above, there are a number of earning series available from ABS sources, and differences are observed when comparing these sources over time. Many factors contribute to the divergence in earnings, such as changes in wage rates, variations in hours worked, and changes in the composition of the employee work force.

The following sections provide a number of examples of the use of earnings statistics, namely: distributional and compositional analysis; gender comparisons; and wage movements.

DISTRIBUTIONAL AND COMPOSITIONAL ANALYSIS

Distributional and compositional analysis can help answer questions such as:

- what is the distribution of earnings paid to employees, or a group of employees?
- is the distribution different for different groups of employees? and
- if so, what factors or characteristics of employees are driving those differences?

Mean, Median and Frequency distribution - definitions

Mean earnings: The amount obtained by dividing the total earnings of a group by the number of employees in that group.

Median earnings: The amount of earnings which divides employees into two groups containing equal numbers of employees, one half with earnings below the median and the other half with earnings above the median.

Frequency distribution: Frequency distribution of earnings show the spread of earnings within a population of interest, i.e. how much of the population have earnings at different levels, from very low to very high. This can show how earnings vary across a population.

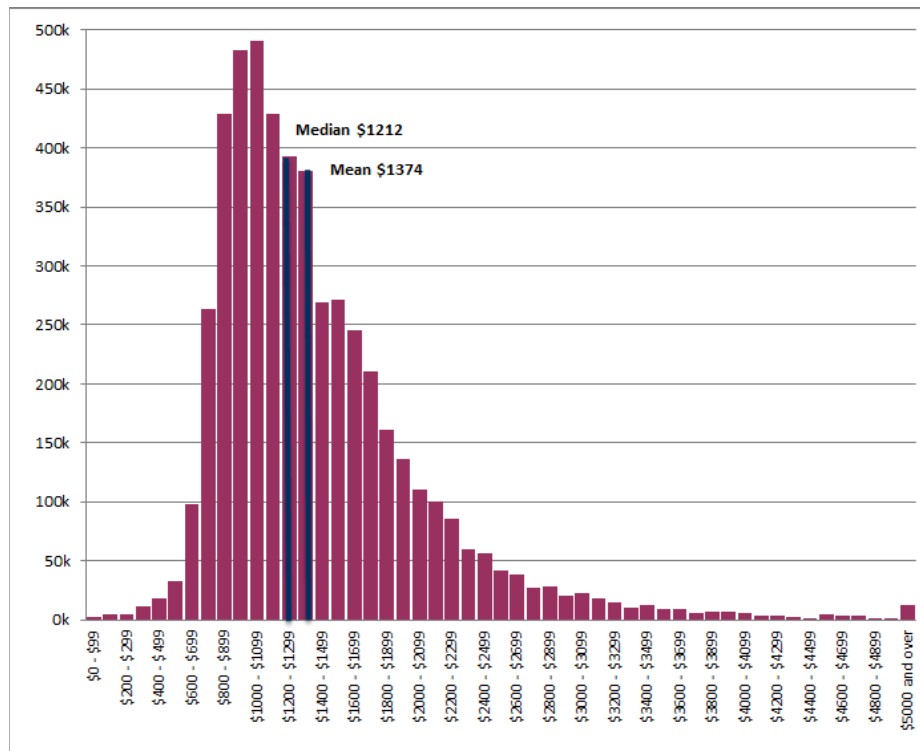
It is useful to examine the distribution of earnings to determine whether most employees receive earnings near the average, or whether a few highly paid employees increase average earnings. When analysing earnings data, which has a skewed distribution with a long right-tail,

the median is a better indicator of central tendency than the mean. However, to derive a median value, earnings for each employee in the survey are needed, i.e. the whole distribution. Both the EEH and EEBTUM collections provide distributional data as standard outputs.

Mean earnings are usually higher than the median as the mean earnings are influenced by outliers (graph 1). Relatively small numbers of highly paid employees contribute more to the numerator when deriving the mean, which results in a higher average. Generally, the larger the gap between the mean and the median for a group of employees, the more uneven is the distribution of earnings for that group of employees, indicating that a greater proportion of employees have earnings at the lower end of the distribution.

The graph below shows the distribution of non-managerial adult hourly ordinary time earnings from EEH, May 2012 survey. EEH data are more robust for analysing the distribution of earnings, as information is collected from businesses (from their payroll) but at an individual employee level. However, the EEH survey (used in graph 1) only has a limited number of characteristics of employees.

Graph 1: Total Weekly Cash Earnings, Adult full-time non-managerial employees - May 2012



Source: ABS data available on request, Survey of Employee Earnings and Hours, May 2012.

Weekly earnings are affected not only by changes in the rate of pay, but also by any changes in the composition of the Australian workforce, including:

- diversity of employment arrangements;
- number of hours worked;
- the extent of part-time and casual employment; and
- mix of industries and occupations.

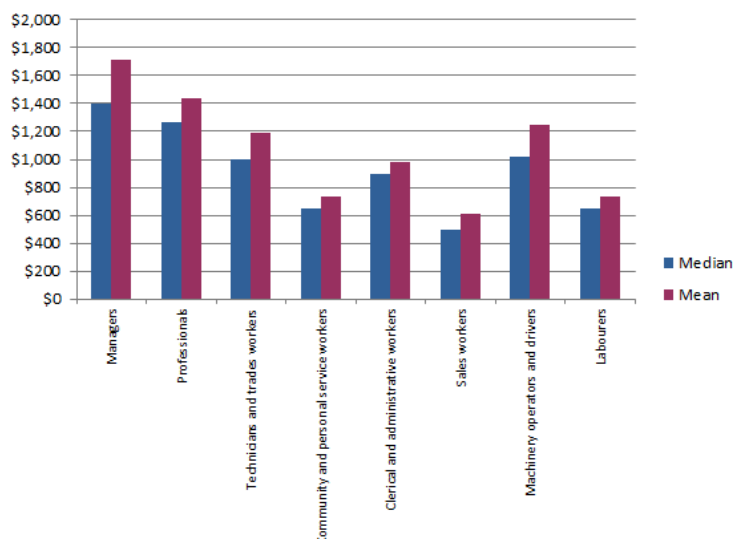
Many of these characteristics are not collected in employer surveys, however the household survey EEBTUM can provide insights into some of these through the availability of information about socio-demographic characteristics of employees.

EEBTUM data from August 2013 show there was a higher proportion of high earners in older age groups compared to younger age groups. The distribution of weekly earnings of employees in the age groups between 35 to 54 years were more skewed (i.e. wider gap between the mean and median), compared to those in the age groups between 15 to 24 or 25 to 34 years where the distribution is more equal (i.e. narrower gap between mean and median). The differences in the earnings distributions between younger and older groups can partly be explained by compositional differences between these two age groups.

A higher proportion of employees in the 35 to 44 and 45 to 54 year age groups work full-time in their main job. In August 2013, just over half (52%) of the employees in the 15 to 24 years age group worked full-time, whereas around three-quarters of employees in both the 35 to 44 and 45 to 54 year age groups worked full-time in their main job (73% and 72% respectively). A higher proportion of employees in the age group of 25 to 34 also work full-time (79%). This includes people who move to full-time work after completing their studies and, being a younger age group, tend to have less caring responsibilities (EEBTUM, August 2013).

The August 2013 data from EEBTUM also show that a far greater proportion of young employees were paid for few hours, 29% of employees (excluding OMIES) aged 15 to 24 years were paid for between 1 and 14 hours per week, compared with only 6% of employees (excluding OMIES) aged 25 to 54 years. This is a contributing factor towards the relatively lower weekly earnings in the 15 to 24 year age group. The middle age groups (those aged 35 to 44 and 45 to 54 years) have higher proportions of employees generally in higher skilled occupations, and are therefore higher paid. Over half of the employees in the Managers and Professionals major occupation groups are in the 35 to 54 years age group (54% and 57% respectively), resulting in higher median earnings for these age groups. Graph 2 below shows the mean and median earnings for the major occupation groups for August 2013.

Graph 2: Employees in main job (a), mean and median weekly earnings by occupation - August 2013



(a) Employees excluding OMIEs

Source: ABS data available on request, Survey of Employee Earnings, Benefits and Trade Union Membership, August 2013.

However caution should be exercised, as earnings estimates from EEBTUM are not as robust because they are reliant on respondents' (or another responsible adults') accurate recall of their (pre-tax) earnings. Also, measures provided from EEBTUM do not separate ordinary time earnings from overtime earnings.

GENDER COMPARISONS

The earnings data collected by the ABS can to some extent support comparisons of earnings by gender. However careful consideration is needed, as many factors other than gender influence the observed differences in average earnings between males and females. These factors include labour market participation, hours worked, industry and occupation. Therefore the observed differences in earnings are generally a reflection of the differences in male and female working arrangements.

It may be necessary to analyse other data sources to get a more comprehensive picture of the composition of the workforce. The LFS provides more timely and robust information about the composition of the labour force, as the data are collected every month and from a larger sample of households. Therefore latest available data from the LFS has been used for analysis of compositional differences within the employed population in this section.

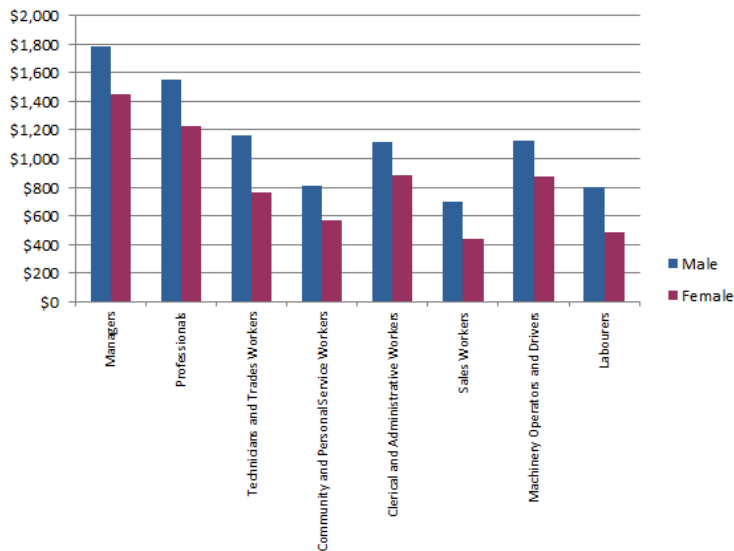
Generally, when looking at ABS statistics for average earnings, male employees earn higher weekly cash earnings than female employees. Much of the difference between earnings of different groups can be explained by a variety of factors including the variation of hours worked and the types of work done, e.g. different occupations or prevalence of part-time work. For example, LFS data shows that in April 2014, 83% of male employees worked full-time, while 54% of female employees were employed full-time. Females employed full-time usually worked fewer hours per week on average (40.8 hours) than males (44.6 hours), whereas females employed part-time usually worked 19.2 hours per week on average compared to males who usually worked 18.5 hours per week on average.

The distribution of weekly earnings are heavily influenced by the proportion of people employed part-time. For example, data from the February 2014 LFS shows that the major occupation groups Sales Workers, and Community and Personal Service Workers, had the majority of people employed part-time (56% and 51% respectively). These two major occupation groups also have a relatively high proportion of females. More than half (61%) of all Sales Workers were females, and 66% of those females worked part-time. Females also counted for the majority of Community and Personal Service Workers (68%), and of those females, 58% worked part-time. The earnings data from EEH, May 2012, shows that these two groups also had the lowest median weekly total cash earnings of all occupation groups, \$504 and \$636 respectively.

The occupation groups Professionals and Managers have higher proportions of people employed full-time and the highest median weekly earnings. Professionals had 89% of males and 66% of females employed full-time, and Managers had 93% of males and 76% of females employed full-time (LFS, February 2014). The median weekly total cash earnings for Professionals was \$1353 and for Managers it was \$1642 (EEH, May 2012).

LFS data from February 2014 shows that the vast majority of people employed as Machinery Operators and Drivers and Technicians and Trade Workers were male (92% and 86% respectively), and of these relatively few were employed part-time (14% of male Machinery Operators and Drivers and 9% of male Technicians and Trade Workers). These two occupation groups also had above average median weekly total cash earnings (\$1098 and \$1080 respectively) (EEH, May 2012).

Graph 3: Median weekly total cash earnings for all employees, by occupation and by sex- May 2012

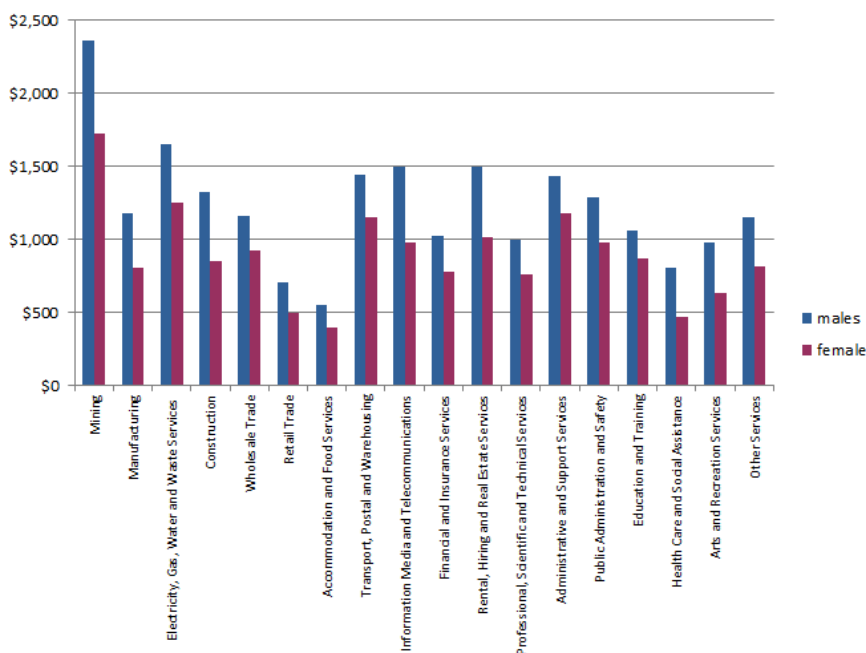


Source: ABS data available on request, Survey of Employee Earnings and Hours, May 2012.

The Accommodation and food services and Retail trade industries had the lowest levels of median weekly total cash earnings in May 2012 (EEH) (\$455 and \$590 respectively). LFS data from February 2014 shows that these two industries also have relatively high proportions of females (56% and 54% respectively) and a relatively high proportion of part-time employment. Retail trade had 48% of its workforce employed part-time, with 58% of females in this industry working part-time. Accommodation and food services had 57% of its employees working part-time with 62% of females in this industry working part-time.

The industry with the highest median earnings was Mining (\$2250 - EEH, May 2012), where 84% of the workforce were males working full-time (LFS, February 2014).

Graph 4: Median weekly total cash earnings for all employees, by industry and by sex- May 2012



Source: ABS data available on request, Survey of Employee Earnings and Hours, May 2012.

As described above, differences in earnings between males and females could be due to many factors, including different jobs within different occupations or industries, differences in full-time and part-time work, and also hours worked. Therefore as many factors as possible should be considered when analysing data.

WAGE MOVEMENT ANALYSIS

A key element in monitoring labour market and economic performance over time is examining changes in earnings. As earnings paid to employees represent a significant component of operating costs for businesses, changes in wages can highlight inflationary pressures facing businesses and/or impact on productivity. Changes in average earnings can also reflect the impact of the economic cycle on the labour market, or sectors within the labour market.

Up until recent times, WPI and AWE were both compiled on a quarterly basis, although AWE has recently changed to a biannual frequency with May 2012 being the last issue produced on a quarterly basis. Both WPI and AWE continue to be released in respect of May and November reference periods, and the common reference periods often lead to comparisons between the two series. Caution should be exercised when making such comparisons as differences in the purpose and design of the two collections means they will often respond differently to economic events.

Specifically, the WPI's focus on holding quality and quantity constant (to produce a measure of change in the price of a unit of labour) means it is affected solely by broad labour market influences on rates of pay. AWE will be affected by a more comprehensive set of economic factors. These include: changes in wages and salaries associated with individual performance; changes in employment that can affect the distribution of various types of employees between two periods (e.g. full-time vs part-time; higher paid vs lower paid) or changes in the pattern of hours worked (e.g. increase in total hours worked, increase in overtime hours). All these changes can influence changes in earnings between two periods to different degrees, and can result in different movements being observed for WPI and AWE. It is recommended that WPI be used to measure the change in the price of labour, or changes in wages over time, for the reasons described above.

CONCLUDING NOTE

Many factors contribute to the level and changes in earnings. These factors can be difficult to analyse independently, as most are inherent in the changes in employment patterns and composition, wage rates, hours worked and technological changes. Data gathered at the individual level, such as from the EEH and EEBTUM surveys, allow for compositional and distributional analysis, which makes it easier to try and account for the differences in employment patterns. The more factors which are taken into consideration when analysing data in general, the more robust such an analysis will be.

The various ABS sources of earnings information provide a wide range of data for a variety of purposes. Estimates from a given source may differ from estimates from other sources resulting from differences in scope, coverage and methodology. The decision on which data to draw on depends on the purpose and type of analysis to be undertaken.

The ABS encourages users to consider relevant factors in order to facilitate the most informed decision making.

More information on sources of earnings data, including conceptual or methodological differences, can be found in the Explanatory Notes of each publication, and in Labour Statistics: Concepts, Sources and Methods (cat. no. 6102.0.55.001).

For further information contact the Labour Market Statistics Section in Canberra on (02) 6252 7206 or email <labour.statistics@abs.gov.au>.

APPENDIX 1

This appendix provides a summary of the ABS data sources or publications about earnings and earnings-related data.

	AWE	EEH	EEBTUM	WPI	National Accounts	Survey of Income and Housing	Survey of Major Labour Costs	Survey of Employment and Earnings	Quarterly Business Indicators Survey
Designed to measure	The level of average weekly earnings.	Weekly and hourly earnings and the distribution of earnings.	Earnings and the distribution of earnings.	Change in the price of labour.	Compensation of employees.	Total household income (including employment related income).	Labour costs for employers, including employee earnings.	Public sector employee jobs, and earnings.	Revenue, profits, inventory and wages paid by <i>private</i> sector businesses.
Frequency/Type of data source	Biannual business survey.	Biennial business survey with payroll employee component.	Annual household survey.	Quarterly business survey.	Quarterly compilation based primarily on quarterly business surveys.	Two-yearly household survey.	Irregular (currently run every 6 years) business survey.	Annual business survey.	Quarterly business survey.
Benefits	Time series data available (including seasonally adjusted and trend estimates).	Data cross-classified by employer and some employee characteristics. Distributional data available.	Detailed socio-demographic information. Distributional data available.	Estimate of pure wage inflation removing the effect of composition.	Broad measure of remuneration (includes, for example, annual bonuses and payment in kind).	Distributional data on the broader context of household income and components available (including labour income) cross-classified by several employee characteristics.	Earnings data in the broader context of labour costs. Data per employee also available.	Public sector estimates, by level of government.	Time series data available.
Primary publication	Average Weekly Earnings, Australia (cat. no. 6302.0).	Employee Earnings and Hours, Australia (cat. no. 6306.0).	Employee Earnings, Benefits and Trade Union Membership, Australia (cat. no. 6310.0).	Wage Price Index, Australia (cat. no. 6345.0).	Australian National Accounts: National Income, Expenditure and Product (cat. no. 5206.0).	Household Income and Income Distribution, Australia (cat. no. 6523.0).	Labour Costs, Australia (cat.no. 6348.0).	Employment and Earnings, Public Sector, Australia (cat. no. 6248.0.55.002).	Business Indicators, Australia (cat. no. 5676.0).

About this Release

Contains information from three survey topics: weekly earnings of employees, core employment benefits and trade union members. Weekly earnings data shows the distribution of weekly earnings of all wage and salary earners classified by full-time/part-time employees, employees with or without leave entitlements, sector, hours worked and hours paid. Core employment benefits data includes information relating to sick leave, annual leave, long-service leave, maternity/paternity leave and superannuation coverage. Information about the level of trade union membership is also provided. For each of these topics estimates can be cross-classified by demographics such as state, sex, age, marital status, birthplace; and by labour force characteristics such as industry of main job and occupation of main job.

Explanatory Notes

Explanatory Notes

EXPLANATORY NOTES

INTRODUCTION

1 The statistics in this publication were compiled from data collected in the Employee Earnings, Benefits and Trade Union Membership (EEBTUM) Survey conducted throughout Australia in August 2013 as a supplement to the Australian Bureau of Statistics (ABS) monthly Labour Force Survey (LFS). Respondents to the LFS who fell within the scope of the supplementary survey were asked further questions.

2 Information about survey design, scope, coverage and population benchmarks relevant to the monthly LFS, which also applies to supplementary surveys, can be found in the publication Labour Force, Australia (cat. no. 6202.0).

CONCEPTS, SOURCES AND METHODS

3 The conceptual framework used in Australia's LFS aligns closely with the standards and guidelines set out in Resolutions of the International Conference of Labour Statisticians. Descriptions of the underlying concepts and structure of Australia's labour force statistics, the concepts of earnings statistics, and the sources and methods used in compiling these estimates, are presented in Labour Statistics: Concepts, Sources and Methods (cat. no. 6102.0.55.001).

4 The conceptual framework for measures of mean and median earnings aligns closely with the standards and guidelines set out in the **System of National Accounts 2008**, and resolutions of the International Conference of Labour Statisticians.

SCOPE

5 The scope of the LFS is restricted to persons aged 15 years and over and excludes the following people:

- members of the permanent defence forces;
- certain diplomatic personnel of overseas governments, customarily excluded from the Census and estimated population;
- overseas residents in Australia; and
- members of non-Australian defence forces (and their dependants).

6 Students at boarding schools, patients in hospitals, residents of homes (e.g. retirement homes, homes for people with disabilities), and inmates of prisons are excluded from all supplementary surveys.

7 This supplementary survey was conducted in both urban and rural areas in all states and territories, but excluded persons living in Aboriginal and Torres Strait Islander communities in very remote parts of Australia.

8 This survey was restricted to employees in their main job excluding employees who worked solely for payment in kind in their main job. Persons not in the labour force and unemployed persons were also excluded.

COVERAGE

9 The estimates in this publication relate to persons covered by the survey in August 2013. In the LFS, coverage rules are applied which aim to ensure that each person is associated with only one dwelling, and hence has only one chance of selection in the survey. See Labour Force, Australia (cat. no. 6202.0) for more details.

SAMPLE SIZE

10 Supplementary surveys are not conducted on the full LFS sample. Since August 1994 the sample for supplementary surveys has been restricted to no more than seven-eighths of the LFS sample.

11 The sample for EEBTUM is a subsample of 33,846 private dwelling households and special dwelling units included in the ABS monthly LFS in August 2013. The final sample on which estimates are based is composed of 22,970 persons aged 15 years and over who were employees in their main job.

RELIABILITY OF THE ESTIMATES

12 Estimates in this publication are subject to sampling and non-sampling errors:

- Sampling error is the difference between the published estimate and the value that would have been produced if all dwellings had

been included in the survey. For more information see the Technical Note.

- Non-sampling errors are inaccuracies that occur because of imperfections in reporting by respondents and interviewers and errors made in coding and processing data. These inaccuracies may occur in any enumeration, whether it be a full count or a sample. Every effort is made to reduce the non-sampling error to a minimum by careful design of questionnaires, intensive training and supervision of interviewers and effective processing procedures.

SEASONAL FACTORS

13 The estimates are based on information collected in the survey month (August) and, due to seasonal factors, may not be representative of other months of the year.

CLASSIFICATIONS USED

14 Country of birth data are classified according to the Standard Australian Classification of Countries (SACC), 2011 (cat. no. 1269.0).

15 Occupation data are classified according to the ANZSCO - Australian and New Zealand Standard Classification of Occupations, 2013, Version 1.2 (cat. no. 1220.0).

16 Industry data are classified according to the Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006 (Revision 2.0) (cat. no. 1292.0).

NOTES ON ESTIMATES

Imputation

17 Where information relating to earnings in main job and second job has not been provided by the respondent, values have been imputed. In August 2013, there were 2,993 cases where information relating to earnings in main job was not provided by the respondent, and 95 cases where information relating to earnings in second job was not provided by the respondent. Where this was the only information missing from the respondent record, the value was imputed based on answers provided from another respondent with similar characteristics (referred to as the "donor"). Donor records were selected for imputation of earnings in main job by matching information on sex, age, state or territory of usual residence and selected labour force characteristics (full-time or part-time in main job, industry, occupation, hours worked in main job, owner manager status) of the person with missing information.

18 Donor records were selected for imputation of earnings in second job by matching information on age, state or territory of usual residence, area of usual residence and owner manager status. Depending on which values were imputed, donors were chosen from the pool of individual records with complete information for the block of questions where the information was missing.

Earnings

19 Estimates relating to mean and median weekly earnings exclude employees who did not draw a wage or salary. These employees comprise owner managers of incorporated enterprises (OMIEs) who responded that they did not draw a wage or salary when asked "In your main job, how often are you paid?" Care should be taken when using estimates of mean weekly earnings or median weekly earnings.

Leave entitlements

20 Employees (excluding OMIEs) have been classified as 'With paid leave entitlements' if they were entitled to paid sick leave and/or paid holiday leave. In all other cases, employees (excluding OMIEs) have been classified as 'Without paid leave entitlements'.

COMPARABILITY OF TIME SERIES

21 The Labour Force Survey estimates, and estimates from the supplementary surveys, are calculated in such a way as to sum to independent estimates of the civilian population aged 15 years and over (population benchmarks). These population benchmarks are based on Estimated Resident Population (ERP) data. Generally, revisions are made to population benchmarks for the LFS following the final rebasing of population estimates to the latest five-yearly Census of Population and Housing, or when the need arises. However, the estimates from the supplementary surveys are not normally revised to reflect the latest benchmarks.

22 From January 2014 Labour Force Estimates have been compiled using population benchmarks based on the 2011 Census of Population and Housing. However, the estimates in this publication were compiled using the April 2013 revision to the population benchmarks based on the 2006 Census of Population and Housing.

23 Changes to the LFS population benchmarks impact primarily on the magnitude of the Labour Force Survey estimates (i.e. employment and unemployment) that are directly related to the underlying size of the population. For more details on population benchmarks, see the Explanatory Notes in Labour Force, Australia (cat. no. 6202.0), and for details about the revisions made, see the article in the April 2013 issue of Labour Force, Australia (cat. no. 6202.0) and the article in the November 2012 issue of Labour Force, Australia (cat. no. 6202.0).

24 From 2009, the survey included people in very remote areas of Australia except for people living in Aboriginal and Torres Strait Islander communities in very remote parts of Australia.

25 Care should be taken when comparing movements in mean weekly earnings and employment benefits estimates that include the July 1991 and August 1997 surveys. The usual period between surveys is 12 months, however in 1991 the elapsed time was 11 months (August 1990 to July 1991), and in 1992 it was 13 months (July 1991 to August 1992). In 1997, the elapsed time was 2 years (August 1995 to August 1997).

26 A change was made in 2002 to the method used to determine whether an employee worked full-time or part-time in their main job. Prior to 2002, 'full-time or part-time employees in main job' was derived from a self-perception question in which all employees were asked 'Is your job full-time or part-time?'. Following the redesign in 2001 of the LFS questionnaire, actual hours worked in main job in the reference

week was collected. From August 2002, data on hours worked in main job are used to derive full-time or part-time status of employees in main job.

27 This approach is consistent with the method used in the LFS to derive full-time or part-time status in all jobs. For further details, see Glossary entries 'Full-time employees in main job' and 'Full-time workers'.

28 In 2007, there was a change to the data item 'Whether considered main job to be casual'. From 2007, all employees (excluding OMIEs) were asked if they were employed as a casual. In 2006 and previous years, OMIEs and employees who received both paid sick and paid holiday leave were not asked if they were employed as a casual. This resulted in a break in series. Users need to exercise care when comparing the number of people who considered their job to be casual with data prior to August 2007.

29 From December 2012 to April 2013, the ABS conducted a trial of online data collection. Respondents in one rotation group (i.e. one-eighth of the survey sample) were offered the option of self completing their labour force survey questionnaire online instead of via face-to-face or telephone interview. From May 2013, the ABS has commenced the expansion of the offer of online collection to each new incoming rotation group. For more information see the article in the April 2013 issue of Labour Force, Australia (cat. no. 6202.0).

30 A measurement strategy was used to identify if the online offer impacted on the LFS data. No known statistical impact has been identified.

Salary sacrifice

31 The estimates of earnings in this publication are produced in accordance with the conceptual framework for measures of employee remuneration, as outlined in Information paper: Changes to ABS Measure of Employee Remuneration, Australia 2006 (cat. no. 6313.0).

32 From 2007, as a result of a change in the concept of earnings being measured, employees were asked to include salary sacrifice when estimating their earnings. In previous years, there was no explicit reference to the treatment of salary sacrifice. It is probable that some employees were already including amounts of salary sacrifice in their estimates of earnings, depending upon how their pay was reported. This change has resulted in a break in series. Users need to exercise care when comparing the earnings of employees in this publication with those prior to 2007.

Imputation

33 From 2009, additional information relating to the number of hours that a respondent's last pay period covered in their main job was added to the imputation process.

34 Aside from the change in 2009, the current imputation method has been used since the 2005 survey. A similar method of imputation was used for the 2004 survey. The differences between the 2004 and the current imputation method are that donors are matched, where possible at a finer level of detail; and second job earnings are imputed whereas in 2004 they were not.

35 These changes in methodology were designed to improve the imputed earnings data at the unit record level, but have little impact on aggregate estimates.

36 Prior to 2004, imputation was not used. Employees whose weekly earnings could not be determined were excluded from estimates of mean or median weekly earnings. Care should be taken when comparing earnings data from 2004 onwards with earnings data prior to 2004. To compare the change in methodology from 2003 to 2004 see paragraph 28 of the Explanatory Notes in the August 2004 Employee Earnings, Benefits and Trade Union Membership (cat. no. 6310.0).

COMPARABILITY WITH MONTHLY LFS STATISTICS

37 Due to differences in the scope and sample size of this supplementary survey and that of the monthly LFS, the estimation procedure may lead to some small variations between labour force estimates from this survey and those from the LFS.

COMPARABILITY WITH EMPLOYER-BASED SURVEYS

38 Caution should be exercised when comparing estimates of earnings in this publication with estimates of earnings included in the biannual publication Average Weekly Earnings, Australia (cat. no. 6302.0) and two-yearly publication Employee, Earnings and Hours, Australia (cat. no. 6306.0). The data in both these publications are compiled from employer based surveys. There are important differences in the concepts, scope and methodology of these surveys resulting in different estimates of earnings from each survey.

39 The survey of Average Weekly Earnings (AWE) collects information from employers who complete an online questionnaire with details of their employees' total gross earnings and their total number of employees. The survey of Employee, Earnings and Hours (EEH) collects information about weekly earnings of a sample of employees and their individual characteristics within the selected employer unit. Both AWE and EEH are completed by employers with information from their payroll. However, for EEBTUM, respondents is either the employee or another adult member of their household who responds on their behalf. Where earnings are not known exactly an estimate is reported. AWE and EEH exclude employees in the industries of Agriculture, forestry and fishing; and Private households employing staff whereas these are included in the EEBTUM household survey and may result in differences in earnings.

40 Estimates of average weekly earnings from AWE excluded amounts salary sacrificed until May 2011, and since then, have been reported as Average Weekly Cash Earnings in the Average Weekly Earnings datacubes. In EEH, the salary sacrificed amounts have been included in the estimates of mean and median weekly earnings from 2006 onwards. From 2007, EEBTUM has included amounts salary sacrificed in the estimates of mean and median weekly earnings.

41 The methodology used in EEBTUM may result in non-sampling error not evident in surveys of employers (and vice versa). This may account for some of the differences in the results compared to employer based surveys. More details about earnings statistics produced from these surveys is included in the analytical article **Understanding earnings in Australia using ABS statistics**.

PREVIOUS SURVEYS

42 Similar surveys on weekly earnings have been conducted annually in August since 1975, except in 1991 when the survey was conducted in July, and in 1996 when the survey was not conducted.

43 Prior to 1999, this publication was titled *Weekly Earnings of Employees (Distribution), Australia* (cat. no. 6310.0). The change in title reflects the inclusion of employment benefits and trade union membership data previously released in other publications.

44 Results of previous surveys on employment benefits have been published in *Weekly Earnings of Employees (Distribution), Australia*, August 1997 (cat. no. 6310.0).

45 Information on trade union membership was first collected in 1976, then biennially in its current format, from 1986 to 1992. From 1994, it was conducted annually (with only limited data available every second year). Results of previous surveys were published in *Labour Force, Australia*, December 1994, December 1995 (cat. no. 6203.0).

46 Limited data on trade union membership have also been published in:

- *Employment Arrangements, Retirement and Superannuation, Australia*, April to July 2007 (Re-issue) (cat. no. 6361.0);
- *Weekly Earnings of Employees (Distribution), Australia*, August 1997 (cat. no. 6310.0);
- *Working Arrangements, Australia*, November 2000 (cat. no. 6342.0); and
- *Working Arrangements, Australia*, November 2003 (cat. no. 6342.0).

NEXT SURVEY

47 As foreshadowed in the information paper, *Outcomes of the Labour Household Surveys Content Review* (cat. no. 6107.0), this is the final issue of **Employee Earnings Benefits and Trade Union Membership, Australia** publication.

48 This publication will be replaced by a new publication titled **Characteristics of Employment, Australia** (cat. no. 6333.0). The first release of 6333.0 will be in respect of August 2014 and will be released in mid 2015.

ACKNOWLEDGEMENT

49 ABS publications draw extensively on information provided freely by individuals, businesses, governments and other organisations. Their continued cooperation is very much appreciated: without it, the wide range of statistics published by the ABS would not be available. Information received by the ABS is treated in strict confidence as required by the **Census and Statistics Act, 1905**.

PRODUCTS AND SERVICES

Spreadsheets

50 Tables contained in the publication are released in spreadsheet format. Additional tables are also available in spreadsheet format with time series data. These tables are made available with the publication from the ABS website.

RELATED PUBLICATIONS

51 Other publications which may be of interest include:

- *Australian Labour Market Statistics* (cat. no. 6105.0);
- *Average Weekly Earnings, Australia* (cat. no. 6302.0);
- *Barriers and Incentives to Labour Force Participation, Australia* (cat. no. 6239.0);
- *Education and Work, Australia* (cat. no. 6227.0);
- *Employment Arrangements, Retirement and Superannuation, Australia*, April to July 2007 (Re-issue) (cat. no. 6361.0);
- *Employee Earnings and Hours, Australia* (cat. no. 6306.0);
- *Forms of Employment, Australia* (cat. no. 6359.0);
- *Industrial Disputes, Australia* (cat. no. 6321.0);
- *Information paper: Outcomes of the Labour Household Surveys Content Review, 2012* (cat. no. 6107.0);
- *Labour Force, Australia* (cat. no. 6202.0);
- *Labour Statistics: Concepts, Sources and Methods* (cat. no. 6102.0.55.001);
- *Retirement and Retirement Intentions, Australia* (cat. no. 6238.0);
- *Working Time Arrangements, Australia* (cat. no. 6342.0); and

52 Current publications and other products released by the ABS are available from the **Statistics Page** on the ABS website. The ABS also issues a daily **Release Advice** on the website which details products to be released in the week ahead.

Glossary

GLOSSARY

Born in Australia

Includes persons born in Australia, Norfolk Island and Australian External Territories.

Casual loading

Provision by an employer of a higher rate of pay to compensate for not being entitled to paid holiday and/or paid sick leave.

Did not draw a wage or salary

Consists of persons who worked in their own incorporated enterprise only.

Employees

People who:

- worked for a public or private employer; and
- received remuneration in wages or salary; or are paid a retainer fee by their employer and worked on a commission basis, or for tips, piece-rates or payment in kind; or
- operated their own incorporated enterprise with or without hiring employees.

In Employee Earnings, Benefits and Trade Union Membership (EEBTUM), employees who worked solely for payment in kind were excluded.

Full adult rate of pay

Full rate of pay an adult employee receives, as specified by their employer. If an employee is not being paid at the full adult rate they may be paid a percentage of the adult rate dependent on their age or abilities. Adult employees are employees who are 21 years of age or over, and employees under 21 years old who are paid at the full adult rate for their occupation.

Full-time employees in main job

People who were employees in their main job and were:

- Single job holders who usually work 35 hours or more a week, or usually work fewer than 35 hours but worked 35 hours or more during the reference week; or
- Multiple job holders who usually work 35 hours or more in their main job and those who, although usually working fewer than 35 hours in their main job, worked 35 hours or more during the reference week.

Full-time workers

Employed persons who usually worked 35 hours or more a week (in all jobs) and others who, although usually working fewer than 35 hours a week, worked 35 hours or more during the reference week. In the EEBTUM survey, full-time workers relates to full-time workers who were employees in their main job. See Employees.

Holiday leave

The entitlement of an employee to paid holiday, paid vacation or paid recreation leave in their main job.

Hours paid for in main job in last pay

The number of hours for which employees were paid in their main job in their last pay, not necessarily the number of hours actually worked during the reference week (e.g. an employee on paid leave for the week was asked to report the number of hours for which they were paid).

Hours worked

The number of hours actually worked during the reference week.

Industry of main job

An industry is a group of businesses or organisations that undertake similar economic activities to produce goods and/or services. In this publication, industry refers to ANZSIC Division as classified according to the Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006 (Revision 2.0) (cat. no. 1292.0).

Long service leave

The entitlement of an employee to paid long service leave in their main job.

Main English-speaking countries

The list of main English-speaking countries provided here is not an attempt to classify countries on the basis of whether or not English is the predominant or official language of each country. It is a list of the main countries from which Australia receives, or has received, significant numbers of overseas settlers who are likely to speak English. These countries comprise the United Kingdom, the Republic of Ireland, New Zealand, Canada, South Africa and the United States of America.

Main job

The job in which most hours are usually worked.

Maternity/paternity leave

The entitlement of an employee to paid maternity/paternity leave in their main job.

Mean weekly earnings

The amount obtained by dividing the total earnings of a group by the number of employees in that group.

Median weekly earnings

The amount which divides the distribution of employees into two groups of equal size, one having earnings above and the other below that amount.

Multiple jobholder

Employed persons who, during the reference week, worked in more than one job. Multiple jobholders exclude those who changed employer and those who held a second job from which they were absent during the reference week because of holidays, sickness or any other reason.

In this publication, a multiple jobholder relates to only those who were employees in their main job.

Information on earnings in main job is collected from all multiple jobholders. Information on earnings in second job is only collected from multiple jobholders who were employees in their second job.

No paid leave entitlements

Employees who do not have or do not know if they had paid holiday leave, paid sick leave, paid long service leave and paid maternity/paternity leave in their main job.

Occupation of main job

An occupation is a collection of jobs that are sufficiently similar in their title and tasks, skill level and skill specialisation which are grouped together for the purposes of classification. In this publication, occupation refers to Major Group as defined by ANZSCO - Australian and New Zealand Standard Classification of Occupations, 2013, Version 1.2 (cat. no. 1220.0).

Owner managers of incorporated enterprises (OMIEs)

People who work in their own incorporated enterprise, that is, a business entity which is registered as a separate legal entity to its members or owners (may also be known as a limited liability company).

Paid leave entitlements

The entitlement of employees (excluding OMIEs) to either paid holiday leave, paid sick leave, paid long service leave and/or paid maternity/paternity leave in their main job.

Paid set amount or by the hour

Employees with a fixed annual salary who get paid the same amount each pay period (excluding overtime and bonuses), regardless of the number of hours worked in the week are classed as 'paid by set amount'. Employees classed as 'paid by the hour' have their pay specifically determined by the number of hours they work each pay period.

Part-time employees in main job

People who were employees in their main job and were:

- Single job holders who usually work fewer than 35 hours a week, and did so in the reference week; or
- Multiple job holders who actually worked fewer than 35 hours in their main job in the reference week, or were away from their main job but usually work fewer than 35 hours a week in their main job.

Part-time workers

Employed persons who usually worked fewer than 35 hours a week (in all jobs) and either did so during the reference week, or were not at work in the reference week. In this publication, part-time workers relates to part-time workers who were employees in their main job.

Reference week

The week preceding the week in which the interview was conducted.

Salary sacrifice

An arrangement under which an employee agrees contractually to forgo part of the remuneration which the employee would otherwise receive as wages and salaries in return for the employer or someone associated with the employer providing benefits of a similar value.

Second job

A job, other than the main job, in which some hours were worked during the reference week.

Sector of main job

Sector of main job is used to classify a respondent's employer as a public or private enterprise. The public sector includes all government units, such as government departments, non-market non-profit institutions that are controlled and mainly financed by government, and corporations and quasi-corporations that are controlled by government.

Sick leave

The entitlement of an employee to paid sick leave in their main job.

Size of location in main job

The number of persons employed at the location of the respondent's main job by their employer.

Superannuation contributions

As a result of employment, employer has made superannuation contributions in the last 12 months into a Superannuation Scheme on behalf of employee in their main job.

Under the **Superannuation Guarantee Act, 1992**, employers are obliged to make superannuation contributions on behalf of their employees. Exemptions include where the employee is aged less than 18 years and employed to work not more than 30 hours or for earnings where employees earn less than \$450 (before tax) in a calendar month.

Trade union

An organisation consisting predominantly of employees, the principal activities of which include the negotiation of rates of pay and conditions of employment for its members.

Trade union member

Employees who are a member of a trade union, not necessarily in connection with their main job.

Trade union member in main job

Employees with membership in a trade union in connection with their main job.

Weekly earnings

Amount of 'last total pay' (i.e. before taxation, salary sacrifice and other deductions had been made) from wage and salary jobs prior to the interview. For persons paid other than weekly, earnings were converted to a weekly equivalent. No adjustment was made for any back payment of wage increases, prepayment of leave or bonuses, etc.

With paid leave entitlements

Employees (excluding OMIEs) who were entitled to either paid holiday leave or paid sick leave (or both) in their main job. For more information, see paragraph 20 of the Explanatory Notes.

Without paid leave entitlements

Employees (excluding OMIEs) who were not entitled to paid holiday leave and paid sick leave, or did not know whether they were entitled to paid holiday leave or paid sick leave in their main job.

Abbreviations

ABBREVIATIONS

'000	thousand
ABS	Australian Bureau of Statistics
ABSDL	Australian Bureau of Statistics Data Laboratory
ANZSCO	Australian and New Zealand Standard Classification of Occupations
ANZSIC	Australian and New Zealand Standard Industrial Classification
COE	characteristics of employment
EEBTUM	Employee Earnings, Benefits and Trade Union Membership
ERP	estimated resident population
LFS	Labour Force Survey
n.f.d.	not further defined
OMIE	owner manager of incorporated enterprise
RSE	relative standard error
SACC	Standard Australian Classification of Countries
SE	standard error

Populations and Data item list (Appendix)

APPENDIX 1 POPULATIONS AND DATA ITEM LIST

POPULATIONS

The ABS has a range of data available on request from the Employee Earnings, Benefits and Trade Union Membership Survey. This section lists the data items and populations which relate to the survey. More detailed breakdowns of some data items may also be available on request.

The population(s) for a particular data item refers to the persons in the survey to whom the data item relates. Where alternative output categories are available for the same data item, these are shown and the data item name is followed by a bracketed numeral (e.g. Country of birth (2)).

For more information about ABS data available on request, contact Client Services Section in Canberra on 1300 135 070 or via email <client.services@abs.gov.au>, or contact Labour Force and Supplementary Survey Section on (02) 6252 7206 or via email <labour.statistics@abs.gov.au>.

The ABS Privacy Policy outlines how the ABS will handle any personal information that you provide to us.

Population 1

Employees in main job

Population 2

Full-time employees in main job

Population 3

Employees in main job who were full-time workers

Population 4

Employees who worked as an employee in their second job in the reference week

Population 5

Employees who were members of a trade union in their main job

Population 6

Employees who were trade union members

Population 7

Employees (excluding OMIEs) in main job

Population 8

Owner managers of incorporated enterprises (OMIEs) in their main job

Population 9

Employees in main job who were part-time workers

Data Item List		Populations
1	State or territory of usual residence	All
	New South Wales	
	Victoria	
	Queensland	
	South Australia	
	Western Australia	
	Tasmania	
	Northern Territory	
	Australian Capital Territory	
2	Area of usual residence	All
	State capital city	
	Balance of state/territory	
3	Region of usual residence	All
	Standard labour force dissemination regions	
4	Sex	All
	Males	
	Females	
5	Social marital status	All
	Married	
	Not married	
6	Relationship in household	All
	Family member	
	Husband, wife or partner	
	With dependants	
	Without dependants	
	Lone parent	
	With dependants	
	Without dependants	
	Dependent student	
	Non-dependent child	
	Other family person	
	Non-family member	
	Lone person	
	Not living alone	
	Relationship not determined	
7A	Country of birth and period of arrival	All
	Born in Australia	
	Born overseas	
	Arrived before 1971	
	Arrived 1971-1980	
	Arrived 1981-1990	
	Arrived 1991-2000	

	Arrived 2001-2010	
	Arrived 2011 to survey date	
	Inadequately described	
7B Country of birth (1)		All
	Born in Australia	
	Born overseas	
	Born in main English-speaking countries	
	Born in other than main English-speaking countries	
	Inadequately described	
7C Country of birth (2)		All
	Born in Australia	
	Born overseas	
	Oceania and Antarctica	
	North-West Europe	
	Southern and Eastern Europe	
	North Africa and the Middle East	
	South-East Asia	
	North-East Asia	
	Southern and Central Asia	
	Americas	
	Sub-Saharan Africa	
	Inadequately described	
8 Age group (years)		All
	15-19	
	20-24	
	25-34	
	35-44	
	45-54	
	55-59	
	60-64	
	65 and over	
	Note: Age collected in single years	
9 Age of youngest dependent child		All
	0-4 years	
	5-9 years	
	10-14 years	
	No dependent children	
10 Number of children in family aged under 15 years		All
	Had children under 15 years	
	One	
	Two	
	Three or more	
	Did not have children under 15 years	
11 Age and whether attending an educational institution		All
	Aged 15-19 years attending school	
	Aged 15-19 years attending a tertiary educational institution full time	
	Aged 15-19 years attending neither school nor a tertiary educational institution	
	Aged 20-24 years attending tertiary educational institution full time	
	Aged 20-24 years not attending tertiary educational institution full time	
	Not applicable	
12 Occupation of main job		All
	Managers	
	Professionals	
	Technicians and trades workers	
	Community and personal service workers	
	Clerical and administrative workers	
	Sales workers	
	Machinery operators and drivers	
	Labourers	
13 Industry of main job		All
	Agriculture, forestry and fishing	
	Mining	
	Manufacturing	
	Electricity, gas, water and waste services	
	Construction	
	Wholesale trade	
	Retail trade	
	Accommodation and food services	
	Transport, postal and warehousing	
	Information media and telecommunications	
	Financial and insurance services	
	Rental, hiring and real estate services	
	Professional, scientific and technical services	
	Administrative and support services	
	Public administration and safety	
	Education and training	
	Health care and social assistance	
	Arts and recreation services	
	Other services	
14 Continuous duration with current employer/business in main job		All
	Under 12 months	
	Under 3 months	
	3 and under 6 months	
	6 and under 12 months	
	1 year and over	
15 Expected future duration with current employer/business in main job		All
	Expected to be with current employer/business in 12 months	
	Did not expect to be with current employer/business in 12 months	
16 Reason expected duration with current employer/business less than 12 months in main job		All
	Voluntary/non-economic reasons	
	Changing jobs/seeking other employment	
	Return to study/travel/family reasons	
	Retiring	
	Other reason	
	Involuntary/economic reasons	
	Seasonal/temporary job/fixed contract	
	Employer/business closing down/down-sizing	
17 Weekly earnings in main job		All

	Under \$200	
	\$200 to less than \$300	
	\$300 to less than \$400	
	\$400 to less than \$500	
	\$500 to less than \$600	
	\$600 to less than \$700	
	\$700 to less than \$800	
	\$800 to less than \$900	
	\$900 to less than \$1,000	
	\$1,000 to less than \$1,200	
	\$1,200 to less than \$1,400	
	\$1,400 to less than \$1,600	
	\$1,600 to less than \$1,800	
	\$1,800 and over	
	Did not draw a wage or salary	
	Note: Earnings collected in single dollars	
18	Weekly earnings in second job	4
	Under \$100	
	\$100 to less than \$200	
	\$200 and over	
	Did not draw a wage or salary	
	Note: Earnings collected in single dollars	
19	Weekly earnings in all jobs	All
	Under \$200	
	\$200 to less than \$300	
	\$300 to less than \$400	
	\$400 to less than \$500	
	\$500 to less than \$600	
	\$600 to less than \$700	
	\$700 to less than \$800	
	\$800 to less than \$900	
	\$900 to less than \$1,000	
	\$1,000 to less than \$1,200	
	\$1,200 to less than \$1,400	
	\$1,400 to less than \$1,600	
	\$1,600 to less than \$1,800	
	\$1,800 or more	
	Did not draw a wage or salary	
	Note: Earnings collected in single dollars	
20	Hours actually worked in main job	All
	Less than 1 hour/no hours	
	1-14	
	15-19	
	20-24	
	25-29	
	30-34	
	35	
	36-39	
	40	
	41-44	
	45-48	
	49 and over	
	Note: Collected in single hours	
21	Hours actually worked in second job	4
	Less than 1 hour/no hours	
	1-19	
	20-29	
	30-34	
	35-39	
	40	
	41-44	
	45-48	
	49 and over	
	Note: Collected in single hours	
22	Hours actually worked in all jobs	All
	Less than 1 hour/no hours	
	1-14	
	15-19	
	20-24	
	25-29	
	30-34	
	35	
	36-39	
	40	
	41-44	
	45-48	
	49 and over	
	Note: Collected in single hours	
23	Hours paid for in main job in last pay	All
	1-14	
	15-19	
	20-24	
	25-29	
	30-34	
	35	
	36-39	
	40	
	41-44	
	45-48	
	49 and over	
	OMIEs who did not draw a wage/salary	
	Workers' compensation	
	Note: Collected in single hours	
24	Full-time or part-time status in main job	All
	Full-time employees	
	Part-time employees	
25	Full-time or part-time status in all jobs	All
	Full-time workers	
	Part-time workers	

26	Whether preferred to work more hours	9
	Preferred to work more hours	
	Did not prefer to work more hours	
27	Sector of main job	All
	Public	
	Private	
28	Frequency of pay in main job	All
	Weekly	
	Fortnightly	
	Four weekly	
	Monthly	
	Quarterly	
	Other	
29	Whether had paid leave entitlements in main job	7
	With paid leave entitlements	
	Without paid leave entitlements	
30	Size of location in main job	All
	Fewer than 10 employees	
	10-19 employees	
	20-99 employees	
	100 or more employees	
	Did not know	
31	Number of paid leave entitlements in main job	7
	No paid leave entitlements	
	One or more paid leave entitlements	
	One entitlement	
	Two entitlements	
	Three entitlements	
	Four entitlements	
32	Whether current employer made superannuation contributions on behalf of employee in main job	All
	Employer made superannuation contributions	
	Employer did not make superannuation contributions	
	Did not know	
33	Whether entitled to paid holiday leave in main job	7
	Entitled to paid holiday leave	
	Not entitled to paid holiday leave	
	Did not know	
34	Whether entitled to paid sick leave in main job	7
	Entitled to paid sick leave	
	Not entitled to paid sick leave	
	Did not know	
35	Whether entitled to paid long service leave in main job	7
	Entitled to paid long service leave	
	Not entitled to paid long service leave	
	Did not know	
36	Whether entitled to paid maternity/paternity leave in main job	7
	Entitled to paid maternity/paternity leave	
	Not entitled to paid maternity/paternity leave	
	Did not know	
37	Whether received casual loading as part of pay in main job	7
	Received casual loading	
	Did not receive casual loading	
	Did not know	
38	Whether paid a set amount or by the hour (excludes overtime and/or bonuses) in main job	7
	Set amount	
	By the hour	
	Did not know	
39	Whether paid full adult rate of pay in main job	All
	Paid full adult rate of pay	
	Not paid full adult rate of pay	
	Did not know	
	Did not draw a wage or salary	
40	Type of paid leave entitlement in main job	7
	No paid leave entitlement	
	Paid holiday leave	
	Paid sick leave	
	Paid long service leave	
	Paid maternity/paternity leave	
	Note: Multi-response category. People may appear in more than one category.	
41	Whether salary sacrificed to superannuation in last pay period in main job	All
	Salary sacrificed to superannuation in last pay period	
	Did not salary sacrifice to superannuation in last pay period	
	Did not know	
42	Whether salary sacrificed to superannuation in last 12 months in main job	All
	Salary sacrificed to superannuation in last 12 months	
	Did not salary sacrifice to superannuation in last 12 months	
	Did not know	
43	Trade union membership in main job	All
	Trade union member in main job	
	Not a trade union member in main job	
	Did not know	
44	Trade union membership (not necessarily in connection with main job)	All
	Trade union member	
	Trade union member in connection with main job	
	Trade union member not in connection with main job	
	Not a trade union member	
	Did not know	
45	Duration (length) of current trade union membership	All
	Currently a trade union member	
	Less than 1 year	
	1 year	
	2 years	
	3-4 years	
	5-9 years	
	10 or more years	
	Previously a trade union member	

	Never been a trade union member Note: Time collected in single weeks to 51 weeks & single years to 10 years.	
46	Duration (time) since previously a trade union member	All
	Previously a trade union member	
	Less than 1 year ago	
	1 year ago	
	2 years ago	
	3-4 years ago	
	5-9 years ago	
	10 or more years ago	
	Never been a trade union member	
	Currently a trade union member	
	Note: Time collected in single weeks to 51 weeks & single years to 10 years.	
47	Previous trade union membership	All
	Previously a trade union member	
	Never been a trade union member	
	Currently a trade union member	
48	Multiple job-holder status	All
	Multiple job-holder	
	Not a multiple job-holder	
49	Whether considered main job to be casual	7
	Considered job to be casual	
	Did not consider job to be casual	
50	Whether able to choose when holidays were taken in main job	7
	Could choose	
	Could sometimes choose	
	Could not choose	
51	Employment type in main job	All
	Employees (excluding OMIEs)	
	With paid leave entitlements	
	Without paid leave entitlements	
	Owner managers of incorporated enterprises	

Supplementary surveys (Appendix)

APPENDIX 2 SUPPLEMENTARY SURVEYS

SUPPLEMENTARY SURVEYS

The Monthly Population Survey program and Multi-Purpose Household Survey program collect data on particular aspects of the labour force. The following is an historical list of labour supplementary surveys collected in these programs. Data from these surveys are available on request and can be obtained by contacting the ABS.

	cat. no.	Frequency	Latest issue
Monthly Population Supplementary Surveys			
Characteristics of Recent Migrants, Australia(a)	6250.0	Irregular	November 2010
Child Employment, Australia	6211.0	Irregular	June 2006
Childhood Education and Care, Australia	4402.0	Irregular	June 2011
Education and Work, Australia	6227.0	Annual	May 2013
Employee Earnings, Benefits, and Trade Union Membership, Australia	6310.0	Annual	August 2013
Forms of Employment, Australia	6359.0	Annual	November 2013
Job Search Experience, Australia	6222.0	Annual	July 2013
Labour Force Experience, Australia	6206.0	Biennial	February 2011
Labour Mobility, Australia	6209.0	Biennial	February 2013
Locations of Work, Australia	6275.0	Irregular	November 2008
Multiple Jobholding, Australia(b)	6216.0	Irregular	August 1997
Persons Not in the Labour Force, Australia	6220.0	Annual	September 2013
Pregnancy and Employment Transitions, Australia	4913.0	Irregular	November 2011
Underemployed Workers, Australia	6265.0	Annual	September 2013
Working Time Arrangements, Australia(c)	6342.0	Irregular	November 2012
Multi-Purpose Household Surveys			
Barriers and Incentives to Labour Force Participation, Australia	6239.0	Biennial	2012-2013
Retirement and Retirement Intentions, Australia	6238.0	Biennial	2012-2013
Work-Related Injuries, Australia	6324.0	Irregular	2009-2010

(a) This product replaces the publication Labour Force Status and Other Characteristics of Migrants, Australia (cat. no. 6250.0).

(b) Data available on request for July 2001 or see Employment Arrangements, Retirement and Superannuation, Australia, Apr to Jul 2007 (Re-issue) (cat. no. 6361.0).

(c) This production replaces the publication Working Arrangements, Australia (cat. no. 6342.0).

Quality Declaration - Summary

QUALITY DECLARATION - SUMMARY

INSTITUTIONAL ENVIRONMENT

For information on the institutional environment of the Australian Bureau of Statistics (ABS), including the legislative obligations of the ABS, financing and governance arrangements, and mechanisms for scrutiny of ABS operations, please see ABS Institutional Environment.

RELEVANCE

The Employee Earnings, Benefits and Trade Union Membership Survey collects a range of information about employees, including weekly earnings of employees, their leave entitlements (paid holiday, paid sick, paid long service and paid maternity/paternity leave),

superannuation contributions made by employer on behalf of employee, benefits and trade union membership. The collection of a range of socio-demographic and labour force characteristics makes the datasets produced from the survey extremely valuable for comparing and analysing the distribution of both weekly earnings and employment benefits across employees. Data are used in the development and review of wages and labour market policies, and in wage negotiation processes. The survey is the only reliable source of data on the distribution of trade union members by socio-demographic and labour force characteristics.

TIMELINESS

The Employee Earnings, Benefits and Trade Union Membership (EEBTUM) Survey is conducted annually in August as a supplement to the Australian Bureau of Statistics (ABS) monthly Labour Force Survey (LFS). Results from this survey are released approximately nine months after the completion of enumeration (ie. during May) in the publication *Employee Earnings, Benefits and Trade Union Membership Survey* (cat. no. 6310.0).

ACCURACY

Estimates from the Employee Earnings, Benefits and Trade Union Membership Survey are subject to sampling and non-sampling errors. Relative standard error (RSE) is a measure of the size of the sampling error affecting an estimate, i.e. the error introduced by basing estimates on a sample of the population rather than the full population. Non-sampling errors are inaccuracies that occur because of imperfections in reporting by respondents and interviewers, and errors made in coding and processing data.

The Employee Earnings, Benefits and Trade Union Membership Survey was designed primarily to provide estimates at the Australia level. Broad estimates are available for state and capital city/balance of state, though users should exercise caution when using estimates at this level because of the presence of high sampling errors. Relative Standard Errors for all estimates in the publication are available in the Technical Note.

COHERENCE

The ABS has been conducting the Employee Earnings, Benefits and Trade Union Membership Survey since 1999. Prior to 1999 this publication was titled *Weekly Earnings of Employees (Distribution), Australia* (cat. no. 6310.0). Key changes made to the Employee Earnings, Benefits and Trade Union Membership Survey include:

- In 2013, the ability to collect information via an online form.
- The 2009 Employee Benefits module that captured information on employment benefits received in the last 12 months was not collected in 2010. As a result a number of data items presented in the 2009 publication are not available in the 2010 publication.
- From 2009, additional information, relating to the number of hours that a respondent's last pay period covered in their main job, was used in the imputation process.
- A new population, 'Employees who were trade union members', is included from 2009. This population provides information about employees who were members of a trade union, not necessarily in connection with their main job.
- The 2009 Employee Benefits module of the EEBTUM survey was redeveloped to better capture information on current employment benefits received in the last 12 months, including transport to and from work, communication and/or IT devices and child care, as well as salary sacrifice arrangements.
- In 2007, a change was made to the concept of earnings being measured to include amounts salary sacrificed. Employees are now asked to include salary sacrifice when estimating their earnings. In previous years this was not the case.
- Since August 2004, imputation has been used for cases where main job or second job earnings were not provided by the respondent. The current imputation method has been used since the 2005 survey.
- A change was made in 2002 to the method used to determine whether an employee works full-time or part-time in their main job.
- Generally, revisions are made to population benchmarks after each five-yearly Census of Population and Housing (Census), however revisions were made to the population benchmarks from July 2010, including those used for the 2010 Employee Earnings, Benefits and Trade Union Membership Survey, to reflect revisions to Estimated Resident Population.

For more information on changes to the survey see Chapter 21.2 of *Labour Statistics: Concepts, Sources and Methods* (cat. no. 6102.0.55.001).

As foreshadowed in the information paper, *Outcomes of the Labour Household Surveys Content Review* (cat. no. 6107.0), this is the final issue of **Employee Earnings, Benefits and Trade Union Membership, Australia** publication.

This publication will be replaced by a new publication titled **Characteristics of Employment, Australia** (cat. no. 6333.0). The first release of 6333.0 will be in respect of August 2014 and will be released in mid 2015.

Employee earnings measures are also available from *Average Weekly Earnings, Australia* (cat. no. 6302.0) and *Employee Earnings and Hours, Australia* (cat. no. 6306.0).

INTERPRETABILITY

The Employee Earnings, Benefits and Trade Union Membership publication contains tables with footnoted data and a Summary of Findings to aid interpretation of the results of the survey. Detailed Explanatory Notes, Technical Note and a Glossary are also included providing information on the terminology, classifications and other technical aspects associated with these statistics.

Further commentary is often available through articles and data published in other ABS products, including:

- Australian Labour Market Statistics (cat. no. 6105.0).
- Australian Social Trends (cat. no. 4102.0).
- Year Book, Australia (cat. no. 1301.0) - refer to the 'Labour' chapter.

ACCESSIBILITY

The main product from the survey is a PDF publication, *Employee Earnings, Benefits and Trade Union Membership, Australia* (cat. no. 6310.0), released electronically via the ABS website. Additional data may be available on request. For a list of data items available see Appendix 1 of the publication. Note that detailed data can be subject to high relative standard errors, and in some cases, may result in data being confidentialised.

Additional tables in spreadsheet format with time series data are also available from the ABS website.

For further information about these or related statistics, contact the National Information and Referral Centre on 1300 135 070 or contact Labour Force and Supplementary Survey Section on Canberra (02) 6252 7206.

Quality Declaration - Relevance

CONTENT AND DESIGN

This publication presents information about the distribution of weekly earnings of employees, their entitlement to core employment benefits such as paid leave (paid holiday, paid sick, paid long service and paid maternity/paternity leave), superannuation contributions made by employers on behalf of employees, and trade union membership. This information can be cross-classified by a range of personal characteristics such as age, sex and country of birth, and by characteristics of employment such as full-time or part-time status, industry and occupation of main job.

The statistics in this publication were compiled from the Employee Earnings, Benefits and Trade Union Membership (EEBTUM) Survey conducted throughout Australia in August 2013 as a supplement to the Australian Bureau of Statistics (ABS) monthly Labour Force Survey (LFS). Questions were asked of all employees in their main job except for those who worked solely for payment in kind in their main job.

As estimates have been rounded, discrepancies may occur between sums of the component items and totals.

The survey design information relevant to the Labour Force Survey also applies to the Employee Earnings, Benefits and Trade Union Membership and other supplementary surveys, with some exceptions for special dwellings. It includes people in both urban and rural areas in all states and territories but excluded persons living in Aboriginal and Torres Strait Islander communities in very remote parts of Australia. Refer to the Explanatory Notes of the publication for more information.

EMPLOYEES

People who:

- worked for a public or private employer; and
- received remuneration in wages, salary or are paid a retainer fee by their employer and worked on a commission basis, or for tips or piece-rates or payment in kind; or
- operated their own incorporated enterprise with or without hiring employees.

This survey was restricted to employees in their main job excluding employees who worked solely for payment in kind in their main job. Persons not in the labour force and unemployed persons were also excluded.

Quality Declaration - Coherence

QUALITY DECLARATION - COHERENCE

Key changes made to Employee Earnings, Benefits and Trade Union Membership Survey (EEBTUM) include:

CHANGES IN 2013

From December 2012 to April 2013, the ABS conducted a trial of online data collection. Respondents in one rotation group (i.e. one-eighth of the survey sample) were offered the option of self completing their labour force survey questionnaire online instead of via face-to-face or telephone interview. From May 2013, ABS expanded the offer of online electronic collection to 50% of each new incoming rotation group. For more information see the article in the April 2013 issue of *Labour Force, Australia* (cat. no. 6202.0). From September 2013 online electronic collection is offered to 100% of private dwellings in each incoming rotation group.

A measurement strategy was used to identify if the online offer impacted on the LFS data. No statistical impact has been identified.

As foreshadowed in the information paper, *Outcomes of the Labour Household Surveys Content Review* (cat. no. 6107.0), this is the final issue of **Employee Earnings, Benefits and Trade Union Membership, Australia** publication.

This publication will be replaced by a new publication titled **Characteristics of Employment, Australia** (cat. no. 6333.0). The first release of 6333.0 will be in respect of August 2014 and will be released in mid 2015.

CHANGES IN 2011

Table 12 presented in the 2010 publication has been split into two tables, becoming Table 12 and Table 13 in 2011. Additional information is printed on weekly earnings in percentiles and deciles in tables 2, 7, 8 and 9.

CHANGES IN 2010

The 2009 Employee Benefits module that captured information on employment benefits received in the last 12 months was not collected in 2010. The following data items are not presented as a result:

- 'Number of weeks of paid leave entitled to';
- 'Whether able to accrue paid holiday leave';
- 'Number of weeks of paid maternity/paternity leave';
- 'Whether taken paid study leave in the last 12 months';
- 'Whether earnings varied from one pay period to the next';
- 'Whether usually works paid or unpaid extra hours or overtime';
- 'Whether most recent period of extra hours or overtime was paid, unpaid or both';
- 'Whether guaranteed a minimum number of hours of work';
- 'Type of employment benefit received';
- 'Salary sacrifice arrangements in the last pay period';
- 'Level of highest educational attainment';
- 'Level of highest non-school qualification'; and
- 'Highest year of school completed'.

The data item 'Duration of employment in main job' presented in the 2009 publication has been renamed 'Continuous duration with current employer/business'. The data item 'Future employment expectations' presented in the 2009 publication has been replaced with 'Expected future duration with current employer/business' and 'Reason expected duration with current employer/business less than 12 months' in 2010.

DEVELOPMENT OF THE 2009 EMPLOYMENT BENEFITS

In 2009, questions relating to employee benefits were redeveloped to better capture information on current employment benefits that employees received in the last 12 months. As a result, new data items presented in the 2009 publication include, 'Employment benefits received from current employer in the last 12 months', 'Salary sacrifice arrangements in last pay period', 'Whether salary sacrificed to superannuation in last pay period' and 'Whether salary sacrificed to superannuation in last 12 months'.

Additional data items on employees' educational qualifications are presented in the 2009 publication. These are 'Level of highest educational attainment', 'Level of highest non-school qualification' and 'Highest year of school completed'. Further data items collected in 2009 include: 'Whether paid a set amount or by the hour'; 'Whether earnings varied from one pay period to the next'; 'Whether usually works paid or unpaid extra hours or overtime'; 'Whether guaranteed a minimum number of hours of work'; 'Whether paid full adult rate of pay'; 'Number of weeks of paid holiday leave entitled to'; 'Whether able to accrue paid holiday leave'; 'Number of weeks of paid maternity/paternity leave' and 'Whether taken paid study leave in the last 12 months'.

In 2009, information on 'Number of dependent children under 15 years of age' and 'Superannuation coverage' was not collected. Information was collected on 'Number of children in family aged under 15 years' and 'Whether employer makes contributions into a superannuation scheme on behalf of employee'. As a result of this change, there is a break in series. Users therefore need to exercise care when comparing data with previous years.

In 2009, a new population 'Employees who were trade union members' is included in the publication. This population differs from the existing population 'Employees who were members of a trade union in their main job' in that all employees are asked the question 'Do you belong to a trade union'? Respondents who answered 'Yes' to this question comprise the population, 'Employees who were trade union members'. This group of employees are then asked 'Is this in connection with your main job'? Those who responded 'Yes' to this question comprise the population 'Employees who were members of a trade union in their main job'. In addition, new data items on trade union membership are presented in the 2009 publication. These are, 'Trade union membership', 'Length of current trade union membership', 'Duration since previously a trade union member' and 'Previous trade union membership'.

- Additional data items on employees' educational qualifications, as well as 'Whether paid a set amount or by the hour', 'Whether usually works paid or unpaid extra hours or overtime', and 'Whether paid full adult rate of pay', are also presented in the 2009 publication.
- A new population, 'Employees who were trade union members', is included in the 2009 publication. This population provides information about employees who were members of a trade union, not necessarily in connection with their main job. Also included are new data items on trade union membership. These are 'Trade union membership', 'Length of current trade union membership', 'Duration since previously a trade union member' and 'Previous trade union membership'.

FULL-TIME AND PART-TIME WORKERS

Prior to 2002 'full-time or part-time employees in main job' was derived from a self perception question in which all employees were asked 'Is your job full-time or part-time?'. Following the redesign in 2001 of the LFS questionnaire, actual hours worked in main job in the reference week is now collected. From August 2002, data on hours worked in main job are now used to derive full-time or part-time status of employees in main job.

This approach is consistent with the method used in the LFS to derive full-time or part-time status in all jobs. For further details see Glossary entries 'Full-time employees in main job' and 'Full-time workers' in the Employee Earnings, Benefits and Trade Union Membership publication.

IMPUTATION

Information relating to main and second job earnings that were not provided by respondents have been imputed. Where this was the only information missing from the record, a value has been imputed based on answers provided from another respondent with similar characteristics (referred to as the donor). Donor records were selected for main job imputation by matching information on sex, age, state or territory of usual residence and labour force characteristics (full-time or part-time in main job, industry, occupation, hours worked in main job, number of hours that a respondent's last pay period covered in their main job) of the person with missing information. Donor records were selected for second job imputation by matching information on sex, age, state or territory of usual residence, area of usual residence and owner manager status. Depending on which values are to be imputed, donors are chosen from the pool of individual records with complete information for the block of questions where the missing information occurs.

In 2004, imputation was conducted for main job earnings only. Prior to 2004, imputation was not used, hence employees whose weekly earnings could not be determined were excluded from estimates of mean and median weekly earnings.

The differences between the imputation method used in 2004 and the current imputation methods are that the donors records are now

matched, where possible, on a finer level of detail, including but not limited to, sex, state, and age of respondent, whereas in 2004 they were not. These changes in methodology are expected to have improved the imputed earnings data at the unit record level, but should not have much impact on aggregate estimates.

From 2005, imputation has been conducted for both main and second job earnings.

From 2009, additional information relating to the number of hours that a respondent's last pay period covered in their main job, was used in the imputation process.

SALARY SACRIFICE

From 2007, as a result of a change in the concept of earnings being measured, employees were asked to include salary sacrifice when estimating their earnings in their main job, and for multiple jobholders, in their second job. In previous years, there has not been any explicit reference to the treatment of salary sacrifice, yet it is probable that some employees were already including amounts of salary sacrifice in their estimates of earnings, depending on how their pay was reported. As a result of this change there has been a break in series.

REVISION OF POPULATION BENCHMARKS

The Labour Force Survey estimates, and estimates from the supplementary surveys, are calculated in such a way as to sum to independent estimates of the civilian population aged 15 years and over (population benchmarks). These population benchmarks are based on Estimated Resident Population (ERP) data. Generally, revisions are made to population benchmarks after each five-yearly Census of Population and Housing (Census), however revisions were made to the population benchmarks from July 2010, including those used for the 2010 Employee Earnings, Benefits and Trade Union Membership Survey, to reflect revisions to ERP. For more details on population benchmarks, see the Explanatory Notes in Labour Force, Australia (cat. no. 6202.0), and for details about the revisions made, see the article in the September 2010 issue of Labour Force, Australia (cat. no. 6202.0).

Data Cubes (I-Note) - Data Cubes

This data cube has been updated with 2013 data.

Data quality (Technical Note)

TECHNICAL NOTE DATA QUALITY

INTRODUCTION

1 Since the estimates in this publication are based on information obtained from occupants of a sample of dwellings, they are subject to sampling variability. That is, they may differ from those estimates that would have been produced if all dwellings had been included in the survey. One measure of the likely difference is given by the standard error (SE), which indicates the extent to which an estimate might have varied by chance because only a sample of dwellings was included. There are about two chances in three (67%) that a sample estimate will differ by less than one SE from the number that would have been obtained if all dwellings had been included, and about 19 chances in 20 (95%) that the difference will be less than two SEs. Another measure of the likely difference is the relative standard error (RSE), which is obtained by expressing the SE as a percentage of the estimate.

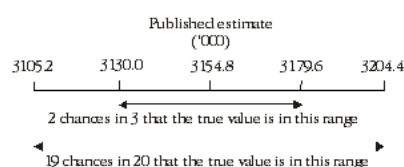
2 Due to space limitations, it is impractical to print the SE of each estimate in the publication. Instead, a table of SEs is provided to enable readers to determine the SE for an estimate from the size of that estimate (see table T1). The SE table is derived from a mathematical model, referred to as the 'SE model', which is created using data from a number of past Labour Force Surveys. It should be noted that the SE model only gives an approximate value for the SE for any particular estimate, since there is some minor variation between SEs for different estimates of the same size.

CALCULATION OF STANDARD ERROR

3 An example of the calculation and the use of SEs in relation to estimates of persons is as follows. Table 5 shows the estimated number of part-time employees in main job was 3,154,800. Since the estimate is between 2,000,000 and 5,000,000, table T1 shows that the SE for Australia will lie between 19,750 and 32,950 and can be approximated by interpolation using the following general formula:

$$\begin{aligned}
 &SE \text{ of estimate} \\
 &= \text{lower SE} + \left(\left(\frac{\text{size of estimate} - \text{lower estimate}}{\text{upper estimate} - \text{lower estimate}} \right) \times (\text{upper SE} - \text{lower SE}) \right) \\
 &= 19,750 + \left(\left(\frac{3,154,800 - 2,000,000}{5,000,000 - 2,000,000} \right) \times (32,950 - 19,750) \right) \\
 &= 24,800 \text{ (rounded to the nearest 100)}
 \end{aligned}$$

4 There are about two chances in three that the value that would have been produced if all dwellings had been included in the survey will fall within the range 3,130,000 to 3,179,600 and about 19 chances in 20 that the value will fall within the range 3,105,200 to 3,204,400. This example is illustrated in the diagram below:



5 In general, the size of the SE increases as the size of the estimate increases. Conversely, the RSE decreases as the size of the estimate

increases. Very small estimates are thus subject to such high RSEs that their value for most practical purposes is unreliable. In the tables in this publication, only estimates with RSEs of 25% or less are considered reliable for most purposes. Estimates with RSEs greater than 25% but less than or equal to 50% are preceded by an asterisk (e.g. *3.4) to indicate they are subject to high SEs and should be used with caution. Estimates with RSEs of greater than 50%, preceded by a double asterisk (e.g. **0.3), are considered too unreliable for general use and should only be used to aggregate with other estimates to provide derived estimates with RSEs of less than 25%. Table T2 presents the levels at which estimates have RSEs of 25% and 50%.

MEANS AND MEDIANS

6 The RSEs of estimates of mean and median weekly earnings (see paragraph 19 of the Explanatory Notes) are obtained by first finding the RSE of the estimate of the total number of persons contributing to the mean or median (see table T1) and then multiplying the resulting number by the following factors for Australian estimates:

- mean weekly earnings: 0.9
- median weekly earnings: 1.0

7 The following is an example of the calculation of SEs where the use of a factor is required. Table 5 shows an estimate of 3,154,800 part-time employees in main job and table 4 shows mean weekly earnings for the same group as \$527. The SE of 3,154,800 was calculated previously as 24,800. To convert this to an RSE we express the SE as a percentage of the estimate, or $24,800/3,154,800 = 0.8\%$.

8 The RSE of the estimate of mean weekly earnings is calculated by multiplying this number, 0.8%, by the appropriate factor shown in paragraph 6 (in this case 0.9): $0.8 \times 0.9 = 0.72\%$. The approximate SE of this estimate of mean weekly earnings of part-time employees in main job is therefore 0.72% of \$527, that is \$4 (to the nearest dollar). Therefore, there are two chances in three that the mean weekly earnings for female part-time employees that would have been obtained if all dwellings had been included in the survey would have been within the range \$523 to \$531, and about 19 chances in 20 that it would have been within the range \$519 to \$535.

9 Mean and median estimates produced from population estimates smaller than the values in T2 have RSEs larger than 25% and should be used with caution. Table T2 also indicates the size of the population estimates that would produce mean and medians with RSEs greater than 50% which are considered too unreliable for general use.

ALL OTHER ESTIMATES

10 All other estimates produced from population estimates smaller than the values in T2 have RSEs larger than 25% and should be used with caution. T2 also indicates the size of the population estimates with RSEs greater than 50% which are considered too unreliable for general use.

PROPORTIONS AND PERCENTAGES

11 Proportions and percentages formed from the ratio of two estimates are also subject to sampling errors. The size of the error depends on the accuracy of both the numerator and the denominator. A formula to approximate the RSE of a proportion is given below. This formula is only valid when x is a subset of y.

$$RSE\left(\frac{x}{y}\right) = \sqrt{[RSE(x)]^2 + [RSE(y)]^2}$$

12 Considering the example from the previous page, of the 3,154,800 part-time employees in their main job, 887,100 or 28.1% were males. The SE and RSE of 3,154,800 were calculated previously as 24,800 and 0.8% respectively. The SE for 887,100 calculated by interpolation is 12,700 which converted to a RSE is $12,700/887,100 = 1.4\%$. Applying the above formula, the RSE of the proportion is:

$$RSE = \sqrt{(1.4)^2 + (0.8)^2} = 1.1\%$$

13 The SE for the proportion, 28.1%, of male part-time employees, is 0.3 percentage points, calculated as $(28.1/100) \times 1.1$. There are about two chances in three that the proportion of male part-time employees, was between 27.8% and 28.4%, and 19 chances in 20 that the proportion is within the range 27.5% to 28.7%.

DIFFERENCES

14 Published estimates may also be used to calculate the difference between two survey estimates (of numbers or percentages). Such an estimate is subject to sampling error. The sampling error of the difference between two estimates depends on their SEs and the relationship (correlation) between them. An approximate SE of the difference between two estimates (x-y) may be calculated by the following formula:

$$SE(x-y) = \sqrt{[SE(x)]^2 + [SE(y)]^2}$$

15 While this formula will only be exact for differences between separate and uncorrelated characteristics or subpopulations, it is expected to provide a good approximation for all differences likely to be of interest in this publication.

STANDARD ERRORS

T1 Standard errors of estimates

Size of estimate (persons)	NSW No.	Vic. No.	Qld. No.	SA No.	WA No.	Tas. No.	NT No.	ACT No.	Aust.	
									SE	RSE %
100	360	250	250	190	240	110	50	120	130	130.0
200	480	320	360	260	320	150	80	200	220	110.0
300	570	380	440	310	380	190	100	250	310	103.3
500	700	470	560	380	460	230	130	320	440	88.0
700	810	530	650	430	530	270	150	360	560	80.0
1,000	930	610	760	490	610	310	170	400	700	70.0
1,500	1 100	710	900	580	710	350	200	430	900	60.0
2,000	1 230	800	1 010	640	790	390	220	460	1 070	53.5
2,500	1 350	850	1 100	700	850	400	250	500	1 200	48.0

3,000	1 450	950	1 200	750	900	450	250	500	1 350	45.0
3,500	1 550	1 000	1 250	800	1 000	450	250	550	1 450	41.4
4,000	1 600	1 050	1 300	850	1 050	500	300	550	1 550	38.8
5,000	1 750	1 150	1 400	900	1 100	500	300	600	1 700	34.0
7,000	2 000	1 300	1 600	1 000	1 250	600	350	700	2 000	28.6
10,000	2 300	1 450	1 800	1 150	1 450	700	450	800	2 300	23.0
15,000	2 650	1 700	2 000	1 300	1 650	850	650	1 000	2 700	18.0
20,000	2 950	1 900	2 200	1 450	1 850	950	800	1 150	3 000	15.0
30,000	3 400	2 200	2 500	1 700	2 100	1 250	1 150	1 500	3 350	11.2
40,000	3 800	2 400	2 800	1 950	2 350	1 450	1 450	1 750	3 650	9.1
50,000	4 100	2 600	3 050	2 200	2 550	1 650	1 750	2 000	3 950	7.9
100,000	5 200	3 450	4 200	3 300	3 750	2 400	3 000	2 650	4 950	5.0
150,000	6 100	4 150	5 150	4 250	4 950	2 850	4 100	3 000	5 800	3.9
200,000	7 050	4 850	6 000	4 950	5 950	3 150	5 150	3 150	6 500	3.3
300,000	8 850	6 250	7 650	6 100	7 500	3 650	7 050	3 300	7 700	2.6
500,000	12 400	8 650	10 300	7 650	9 550	4 200	..	3 300	9 650	1.9
1,000,000	18 400	13 150	14 700	9 750	12 150	4 800	..	..	13 600	1.4
2,000,000	24 800	19 450	19 800	11 600	14 100	..	..	..	19 750	1.0
5,000,000	31 600	31 100	26 700	13 050	14 700	..	..	..	32 950	0.7
10,000,000	33 850	42 900	31 200	..	..	..	..	..	44 000	0.4
15,000,000	..	..	..	..	..	..	..	..	49 600	0.3

.. not applicable

T2 Population levels at which estimates have RSES of 25% and 50%

	NSW no.	Vic. no.	Qld. no.	SA no.	WA no.	Tas. no.	NT no.	ACT no.	Aust. no.
25% RSE									
Mean weekly earnings	7 750	3 940	4 710	2 250	3 560	1 060	170	1 570	7 710
Median weekly earnings	8 710	4 340	6 020	2 840	4 450	1 330	280	1 820	9 300
Relative standard error of all other estimates	8 600	4 240	6 070	2 970	4 170	1 380	500	1 800	8 760
50% RSE									
Mean weekly earnings	2 520	1 280	1 550	730	1 170	330	20	620	1 950
Median weekly earnings	2 840	1 420	2 020	930	1 470	430	40	740	2 490
Relative standard error of all other estimates	2 800	1 390	2 040	980	1 370	450	110	730	2 310